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# ENVIRONMENTAL ASSESSMENT BOARD



## ONTARIO HYDRO DEMAND/SUPPLY PLAN HEARINGS

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VOLUME: 162

DATE: Monday, June 15, 1992

BEFORE:

HON. MR. JUSTICE E. SAUNDERS	Chairman
DR. G. CONNELL	Member
MS. G. PATTERSON	Member

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ENVIRONMENTAL ASSESSMENT BOARD  
ONTARIO HYDRO DEMAND/SUPPLY PLAN HEARING

IN THE MATTER OF the Environmental Assessment Act,  
R.S.O. 1980, c. 140, as amended, and Regulations  
thereunder;

AND IN THE MATTER OF an undertaking by Ontario Hydro  
consisting of a program in respect of activities  
associated with meeting future electricity  
requirements in Ontario.

Held on the 5th Floor, 2200  
Yonge Street, Toronto, Ontario,  
Monday, the 15th day of June,  
1992, commencing at 10:00 a.m.


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VOLUME 162  
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B E F O R E :

THE HON. MR. JUSTICE E. SAUNDERS	Chairman
DR. G. CONNELL	Member
MS. G. PATTERSON	Member

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L I S T o f E X H I B I T S

No.	Description	Page No.
712	Package of materials to be used in Mr. Colborne's cross-examination of Panel 10.	28553
683.48	Interrogatory No. 11.10.26.	28606
683.49	Interrogatory No. 7.10.145.	28616
683.50	Interrogatory No. 11.10.59.	28620
683.51	Interrogatory No. 11.10.19.	
713	Document entitled: Public Involvement Procedures of Ontario Hydro, A Provincial Overview, dated June 1983.	28633
714	Excerpts from document entitled: Public Consultation on Municipal Solid Waste Management Towards a Sustainable Waste Management System, June 1991.	28666
715	Document entitled: Pacific Northwest Electric Power Planning and Conservation Act, dated August 1991.	28669
716	Document entitled: Press Clipping and Transcript References Re Joint Federal/ Provincial Environmental Assessment Hearings on Conawapa Generating Station, dated June 9, 1992 and June 3 and 4, 1992.	28690
717	Page 20 of Exhibit 446.	28705





L I S T o f U N D E R T A K I N G S

No.	Description	Page No.
684.27	Ontario Hydro undertakes to respond to Interrogatory Nos. 10.40.24, 10.40.26, 10.40.27, 10.40.28, 10.40.29, 10.40.34, 10.40.35, 10.40.36, 10.40.37, 10.40.42, 10.40.43, 10.40.44, 10.40.45, 10.40.46, and 10.40.47.	28542
684.28	Ontario Hydro undertakes to provide west system peak load last winter that corresponds with the figure for the entire system which appears on page 26409 of the transcript.	28579
684.29	Ontario Hydro undertakes to provide whether there was a response, in the form of a proposal, to Mr. Nastisch's letter of June 8, 1984.	28638
684.30	Ontario Hydro undertakes to provide whether or not Ontario Hydro directly involved UOI or any Aboriginal organizations in designing the public participation process in relation to the DSP.	28640
684.31	Ontario Hydro undertakes to provide a written document that Ontario Hydro actually used to guide its public participation program for the DSOS and DSPS studies; and inform Ms. Kleer should there be no such document in existence.	28643



TIME NOTATIONS

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	10:05 a.m. -----	28540
	10:15 a.m. -----	28545
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	10:45 a.m. -----	28559
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	11:37 a.m. -----	28590
Recess	11:43 a.m. -----	28593
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Luncheon Recess	1:00 p.m. -----	28630
Resume	2:35 p.m. -----	28630
	2:45 p.m. -----	28638
	3:00 p.m. -----	28651
	3:15 p.m. -----	28658
Recess	3:30 p.m. -----	28671
Resume	3:50 p.m. -----	28671
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I N D E X   o f   P R O C E E D I N G S

Page No.

<u>AMIR SHALABY,</u> <u>JOHN KENNETH SNELSON,</u> <u>JANE BERNICE TENNYSON,</u> <u>FREDERICK GEORGE LONG,</u> <u>BRIAN PAUL WILLIAM DALZIEL,</u> <u>HELEN ANNE HOWES; Resumed.</u>	28543
Cross-Examination by Mr. Castrilli	28543
Cross-Examination by Mr. Colborne	28553
Cross-Examination by Ms. Kleer	28605



1       ---Upon commencing at 10:05 a.m.

2                   THE REGISTRAR: Please come to order.

3       This hearing is now in session. Be seated, please.

4                   THE CHAIRMAN: Mr. Castrilli.

5                   MR. CASTRILLI: Good morning, Mr.

6       Chairman.

7                   Just before I start, I just want to  
8       indicate to the Board that I have had a discussion with  
9       Mr. Campbell about how we would proceed this morning,  
10      in part in an attempt to expedite my cross-examination,  
11      and in this regard we have agreed to make several of my  
12      interrogatories that were asked at the beginning of  
13      May, and which because of time constraints for Panel 10  
14      were not able to be answered, to be made transcript  
15      undertakings, and Mr. Campbell will indicate which ones  
16      they are and how they will be identified.

17                  THE CHAIRMAN: All right.

18                  MR. B. CAMPBELL: Yes, Mr. Chairman. I  
19      have gone over these with Mr. Castrilli and if we could  
20      get the next undertaking number. We have agreed --

21                  THE REGISTRAR: 684.27.

22                  MR. B. CAMPBELL: All right. The  
23      undertaking that we are prepared to give under that  
24      number is to provide responses to the following  
25      interrogatories, and I'm just going to give you a list

1 of interrogatory numbers.

2 There were a variety of these where we  
3 have been getting them late and following our usual  
4 practice, which is to say, that the witnesses are aware  
5 of interrogatories having been asked and that the  
6 parties should ask about that matter during the course  
7 of their cross-examination.

8 On these we are prepared to undertake to  
9 give written responses and the numbers are as follows,  
10 and they all are in the 10.40 series, and I'll just  
11 give the third number in each case: 24, 26, 27, 28,  
12 29, 34, 35, 36, 37, 42, 43, 44, 45, 46, and 47.

13 And I have advised Mr. Castrilli in my  
14 discussions with him that in certain cases these  
15 undertakings ask for particular analysis or what change  
16 would such and such a thing make if this set of figures  
17 had been used instead of that set of figures.

18 In giving this undertaking to respond to  
19 these, we are not undertaking to do a whole bunch of  
20 new work but just as a witness in cross-examination  
21 sometimes says: Well, we haven't done that analysis  
22 but directionally it would take us in this direction or  
23 that direction, they would respond in that way in  
24 giving the interrogatory answers.

25 We are not, as I say, undertaking to



1       conduct any major additional analysis in taking this on  
2       and that, as I understand it, is satisfactory to Mr.  
3       Castrilli and we have agreed that we will proceed in  
4       that way so as to reduce hearing time.

5       ---UNDERTAKING NO. 684.27: Ontario Hydro undertakes to  
6                respond to Interrogatory Nos. 10.40.24,  
7                10.40.26, 10.40.27, 10.40.28, 10.40.29,  
8                10.40.34, 10.40.35, 10.40.36, 10.40.37,  
9                10.40.42, 10.40.43, 10.40.44, 10.40.45,  
10              10.40.46, and 10.40.47.

11                   THE CHAIRMAN: Thank you.

12                   MR. CASTRILLI: Thank you, Mr. Chairman,  
13       Mr. Campbell.

14                   Mr. Chairman, my cross-examination will  
15       be focussing on energy economics related issues and  
16       there are four broad topics for the benefit of the  
17       Board and the panel, and those four topics are: the  
18       no-approvals case, the issue of costs, the issue of  
19       value, and the issue of cost-effectiveness.

20                   Following my cross-examination, as you  
21       are aware, Mr. Colborne will be cross-examining for  
22       NAPA and, thereafter, Ms. Kleer will also be  
23       cross-examining on behalf of the numerous parties that  
24       we collectively represent.

25                   Her cross-examination will not duplicate  
26       mine with respect to energy economics, it will focus on  
27       areas predominantly in what we would call the EA

1 process and public consultation.

2 AMIR SHALABY,  
3 JOHN KENNETH SNELSON,  
4 JANE BERNICE TENNYSON,  
5 FREDERICK GEORGE LONG,  
6 BRIAN PAUL WILLIAM DALZIEL,  
7 HELEN ANNE HOWES; Resumed.

8 CROSS-EXAMINATION BY MR. CASTRILLI:

9 Q. Good morning, Panel, I would like to  
10 begin with transcript 152.

11 MR. CASTRILLI: Mr. Chairman, I believe  
12 the panel and the Board have been provided with a list  
13 of exhibits and transcripts I will be referring to and  
14 this transcript is on it.

15 Q. And we are looking at pages 26851 to  
16 55 and I believe it was you, Mr. Snelson, who was  
17 giving the answer at these pages.

18 And as I understand the essence of the  
19 answer that is to be found on these five pages, what  
20 you were indicating in your answer was that the  
21 no-approvals case is illustrative but it is not a  
22 specific contingency plan, at least in respect of the  
23 Manitoba Purchase.

24 And what my question to you is: Is the  
25 no-approvals case also illustrative rather than a  
specific contingency plan with respect to the hydraulic  
option as well?

1 MR. SNELSON: A. Yes.

2 Q. Thank you. Could I ask you to turn  
3 to transcript Volume 149, and we are looking in this  
4 volume at pages 26434 to 26437.

5 And in these pages my understanding of  
6 the answer that is being given, I believe by Mr.  
7 Dalziel, is that capacity in the no-approvals case is  
8 made up by CTUs.

9 And my question to you is: Are CTUs also  
10 the most likely alternative for hydraulic given the  
11 peaking nature of the hydraulic resource?

12 MR. DALZIEL: A. CTUs were assumed to be  
13 the makeup option in the no approvals in the earlier  
14 years and in the later years other business load  
15 options could come into service as part of the makeup.

16 With respect to the hydraulic, due to the  
17 peaking nature of some of hydraulic sites it may well  
18 be a good match in terms of a replacement option to  
19 utilize the CTU.

20 Q. All right, thank you.

21 A. We have also noted though that some  
22 of that capacity could well be provided by NUGs as  
23 well.

24 Q. All right, thank you. All right.  
25 Could I now ask you to turn to Appendix B of Exhibit

1 442.7 and I'm not sure exactly who to direct this  
2 question to, so why don't I ask it and then you can  
3 decide who should answer it.

4 In just looking at this page we see that  
5 in part this is a chronology of the changes in  
6 projections in terms of need dates for transmission  
7 with the Manitoba Purchase and without the Manitoba  
8 Purchase.

9 And as I read this particular appendix,  
10 the need for additional transmission to serve the west  
11 system has been substantially deferred from that that  
12 was predicted earlier in what is now Exhibit 434.3. Is  
13 that, in general, an accurate summation?

14 MR. SNELSON: A. Yes.

15 Q. Mr. Snelson, can you tell me to what  
16 extent, if any, is this deferral related to changes in  
17 predicted levels of NUGs on the west system?

18 [10:15 a.m.]

19 A. I'm sorry, I don't know the detail of  
20 that. It's due to the predicted change in the load and  
21 capacity balance, but the relative contribution of NUGs  
22 and load I am not familiar with.

23 Q. So you also wouldn't know the level  
24 of NUGs predicted or how the level of NUGs predicted  
25 for the west system has changed.

1 A. No, I don't. It may well be in  
2 interrogatories but I couldn't quote you the numbers.

3 Q. All right. Thank you.

4 Could you tell me, Mr. Snelson, to what  
5 extent if any is deferral of transmission to serve the  
6 west system related to changes in predicted levels of  
7 EEI on the west system?

8 A. The same answer would apply.

9 Q. Same answer. All right.

10 To what extent, if any, is deferral of  
11 transmission to serve the west system related to  
12 changes in predicted levels of fuel switching on the  
13 west system?

14 A. Again, it would be the same answer.

15 Clearly, there was no fuel switching  
16 in the original analysis and there would be some  
17 accounting for fuel switching in the more recent  
18 analysis.

19 Q. And to what extent, if any, is  
20 deferral of transmission to serve the west system  
21 related to changes in predicted levels of basic load on  
22 the west system?

23 A. Again, it's the same answer with  
24 regard to the combination, it's the combination of  
25 basic load, demand management, NUGs, that leads to the



1 need date, and I don't have those details with me.

2 Q. And does Hydro continue to apply the  
3 same avoided costs to the east system and to the west  
4 system?

5 A. Yes.

6 Q. I have to find my copy of the right  
7 page.

8 We are now looking at Exhibit 646, and we  
9 are looking -- I realize this is a large exhibit. We  
10 are looking in the area of page C1-2, and also I think  
11 C1-5, which is table B-1. As I understand these two  
12 pages, and you can assist me, I hope, is it correct to  
13 say that the value to Ontario Hydro of supplemental  
14 energy from Manitoba has decreased since what is now  
15 Exhibit 434.3, because Hydro no longer needs the  
16 supplemental energy at a 1.8 cents per kilowatthour  
17 prior to the year 2010?

18 A. I believe that matter has been  
19 addressed in previous cross-examination, and  
20 directionally, yes, the supplemental energy has less  
21 value during a period of surplus capacity.

22 We have addressed in previous  
23 cross-examination that the assumption of not taking the  
24 supplemental energy, I think it's to 2010, 2000 to  
25 2009, of not taking it during that period was a broad



1 assumption. The more accurate assumption would have  
2 been to take most of the supplemental energy but to not  
3 take it during periods of surplus nuclear or surplus  
4 hydroelectric energy.

5 Q. Mr. Snelson, I am going to continue  
6 with you, we seem to be on a roll this morning.

7 Can you advise the Board, how does a  
8 higher discount rate affect the cost-effectiveness of  
9 the Manitoba Purchase and the affiliated transmission  
10 lines?

11 A. I believe that is addressed in the  
12 sensitivity analysis in Exhibit 442.7, and that's on  
13 page 8 where there is an analysis shown with plus 1 per  
14 cent to the discount rate and minus 1 per cent to the  
15 discount rate, and that shows that the purchase becomes  
16 slightly less favourable with a higher discount rate  
17 and slightly more favourable with a lower discount  
18 rate.

19 Q. Thank you. Mr. Snelson, what would  
20 be the expected economic effects and benefits of  
21 cancellation of the Manitoba Purchase in the enhanced  
22 option?

23 A. The economics of the Manitoba  
24 Purchase with respect to the enhanced option are shown  
25 on table D1 of Exhibit 442.7, which is part of Appendix

1 D to that exhibit.

2 THE CHAIRMAN: I'm sorry, is it Dog-1 or  
3 Baker-1?

4 MR. SNELSON: Dog-1.

5 And that shows that the cost to value  
6 ratio drops to .95 when the enhanced plan is used as  
7 the base plan, which is an improvement in the  
8 economics.

9 MR. CASTRILLI: Q. Could I ask you to  
10 turn to table Dog-2, which is on the next page. In  
11 looking at this that I believe we see again a sort of a  
12 historical review of the need dates and transmission  
13 costs associated with the purchase and then  
14 transmission costs associated without the purchase, and  
15 if I look at the left-hand column, the December 1989  
16 evaluation in-service dates, and I am just looking at  
17 the section of the table dealing with transmission  
18 costs without the purchase, that's the median case  
19 under Exhibit 434.3; is that right? I think you would  
20 find that in Appendix B of that exhibit.

21 MR. SNELSON: A. And we are looking at  
22 the...

23 Q. Just the left-hand column under No.  
24 2.

25 A. December 1989 evaluation?

1 Q. That's right.

2 A. I have it as being attached to  
3 Interrogatory 7.4.2, was that --

4 Q. Attached to that document is actually  
5 Exhibit, I think, 434.3. That's SP686?

6 A. Yes. So that's 434.3?

7 Q. 434.3, that's correct.

8 A. Yes, that would be the assumptions  
9 for that exhibit, yes.

10 [10:27 a.m.]

11 Q. So that's for the median case?

12 A. Yes.

13 Q. In that left-hand column?

14 A. Yes.

15 Q. And then if we look on the far right  
16 under 1992 Plan Update, those are for the median case  
17 in the Update, those in-service dates?

18 A. That is correct.

19 Q. All right. What we don't have on  
20 this particular table would be what the in-service  
21 dates were for the low load forecast under 434.3. And  
22 I'm just going to give you those numbers, they appear  
23 from Appendix B in that exhibit, and perhaps you can  
24 just write them anywhere on table D2 you can find a  
25 space, perhaps on the left-hand margin or something.

1 I have the in-service dates for the  
2 Northern Ontario interconnection, Stage 1, as the year  
3 2015 - you might want to write that on, or just  
4 notionally write it down on your page - and then the  
5 in-service date for the Northern Ontario  
6 interconnection, Stage 2, as the year 2023, and for  
7 Birch-Marmian I have the in-service date as the year  
8 2005, and Marmian to Lake Dryden I have the in-service  
9 date as 2011.

10 Now, will you accept those numbers  
11 subject to checking. I think you will find them on  
12 Appendix B of exhibit --

13 A. I have checked them.

14 Q. All right. So if we were just to  
15 line up those three sets of numbers together, would it  
16 be fair to say that in general the in-service dates for  
17 transmission in the median case under the 1992 Update  
18 are now much closer to the in-service dates of the low  
19 load forecast under Exhibit 434.3?

20 A. Well, it does vary a little. The  
21 Birch to Marmian Lake, for instance, is shown as being  
22 acquired in 2005 and has now gone back all the way to  
23 2020, so clearly the dates are delayed in the current  
24 Update case, and in some cases they are similar to the  
25 low load cases, in some cases they are a bit different.

1 Q. All right. Would it be fair to say  
2 that the median case under the Update -- well, I think  
3 actually you have already said it. I'm just repeating  
4 myself. All right.

5 MR. CASTRILLI: Mr. Chairman, subject to  
6 the transcript undertakings, those are my questions.

7 THE PRESIDING MEMBER: Thank you Mr.  
8 Castrilli. Mr. Colborne, are you next?

9 MR. COLBORNE: Yes, I am.

10 MR. CASTRILLI: Mr. Chairman, just give  
11 me one moment's indulgence while I try to pack up my  
12 box.

13 THE CHAIRMAN: Oh yes. Take your time.

14 MR. COLBORNE: Good morning, Mr.  
15 Chairman, panel.

16 I have a collection of copies of the  
17 documents, mainly pages from the transcript, that I may  
18 be referring to in this cross-examination and I have  
19 furnished the Registrar with several copies, and I  
20 would request that the entire package, which is  
21 numbered consecutively, be marked as an exhibit. And  
22 that will be the sole document that I will be referring  
23 to, if that's satisfactory.

24 THE CHAIRMAN: That would be  
25 satisfactory.



1 MR. COLBORNE: Thank you.

2 THE REGISTRAR: It will be No. 712, Mr.  
3 Chairman.

4 THE CHAIRMAN: Thank you.

5 ---EXHIBIT NO. 712: Package of materials to be used in  
6 Mr. Colborne's cross-examination of  
Panel 10.

7 MR. COLBORNE: Also, Mr. Chairman, I  
8 would like to thank Ms. Kleer and Mr. Castrilli for  
9 agreeing to shift the schedule a little bit. I believe  
10 that a number of counsel have found themselves in  
11 scheduling conflicts because the cross-examinations  
12 have been briefer than expected and, in fact, I have  
13 found that mine will be relatively brief as well.

14 With that I'll commence.

15 THE CHAIRMAN: Thank you.

16 CROSS-EXAMINATION BY MR. COLBORNE:

17 Q. Panel, I would like to begin by  
18 clarifying just certain somewhat isolated points that  
19 are not clear to me and I do not think they were  
20 covered by previous counsel, but you were here  
21 throughout and so I'm sure you will correct me if I'm  
22 wrong.

23 The first is a point that Mr. Shalaby  
24 raised, and this would be found at page 19 of my  
25 document collection and the transcript page number is



1 26133 of Volume 148.

2 And if you will look to the text of your  
3 evidence, sir, through the centre portion of that page  
4 basically I understood it to be that you have found in  
5 recent months that the industry is meeting efficiency  
6 programs; that is, the energy efficiency improvements  
7 portion of the efficiency programs, but some other of  
8 the efficiency programs are not on target.

9 Now, my question is: How do you  
10 distinguish or are you able to distinguish between  
11 improvements as a result of your application of the EEI  
12 approach and declines in demand that are occasioned by  
13 some other factor, maybe simply something as general as  
14 the economic recession; how do you separate the one  
15 from the other?

16 MR. SHALABY: A. There is a whole  
17 function in the energy management branch that focuses  
18 on monitoring and evaluation of achievements of demand  
19 management programs and what they look at would be  
20 reports from the field. There's a very specific --  
21 something we call the megawatt tracking system reports  
22 from the field on how many incentive applications were  
23 granted, for example.

24 And, for example, a building like this,  
25 if they were to retrofit the lighting, they will make

1 an application and a Hydro person would come and  
2 measure up, count the number of light bulbs, for  
3 example, that would be retrofit and calculate the exact  
4 savings that would result from retrofitting the  
5 lighting.

6 So there is a tracking system on Hydro's  
7 influence on the market. There are areas where the  
8 tracking is more accurate than others.

9 For example, if you replace a lighting  
10 system or a large motor drive somewhere with a more  
11 efficient one, that is relatively easy to pinpoint to  
12 Hydro's impact on the efficiency. There are areas that  
13 it's more difficult to measure Hydro's impact,  
14 particularly when it comes to information or advice or  
15 audits or identification of opportunities that the  
16 customer may act on in the future.

17 So there are grayer areas than others,  
18 but there's a fairly elaborate system of tracking what  
19 those megawatts are.

20 Q. The numbers that you use then, are  
21 you quite confident that those are numbers that can be  
22 attributed to the energy efficiency improvements as  
23 opposed to other factors?

24 A. Yes, and those numbers are verified  
25 by auditors, independent auditors come and verify the

1 reports that Hydro personnel brings in. So there is an  
2 annual audit procedure that goes on the numbers that  
3 are being tallied in every year.

4 Q. And what do you do with the numbers  
5 that are within what you have defined as the gray area;  
6 do you just exercise some judgment and attribute some  
7 to energy efficiency and some to other factors?

8 A. There is judgment exercised in areas  
9 that are gray, yes, particularly when it comes to  
10 impact of audits or information or things of that  
11 nature, yes.

12 Q. And who is it who exercises that  
13 judgment, the parties whom you have referred to just a  
14 moment ago; that is, internal Ontario Hydro people and,  
15 in addition, those who conduct the audits?

16 A. My understanding is that is the case,  
17 yes.

18 Q. Thank you. Now, Mr. Snelson, a  
19 matter of clarification again, this having to do with  
20 the transcript page which is page 20 of my document  
21 collection, being page 26135 of the transcript from  
22 Volume 148.

23 You say here at the bottom of the page  
24 that Ontario Hydro is:

25 "...proceeding with all contracted

1 non-utility generation whether or not we  
2 are in a period of surplus, the same as  
3 we are proceeding with the contracted  
4 Manitoba Purchase."

5 My first clarifying question on that is:

6 Have you compared the costs of not completing those  
7 contracts; that is, the damages and penalties that  
8 might be assessed - and let's set the Manitoba one  
9 aside for a moment, if we could, let's just talk about  
10 the contracted NUGs - have you compared the costs of  
11 not completing with the costs to the system, that is  
12 the consumer, of carrying out those contracts because  
13 they are the ones that have already been signed and are  
14 in place?

15 MR. SNELSON: A. No. I believe that all  
16 of those contracts were within what was reckoned to be  
17 avoided cost at the time that they were signed and they  
18 were signed in good faith and we will execute them in  
19 good faith.

20 Q. Am I right to understand from your  
21 response then that the decision to honour these  
22 contracts is based on principle; that is, that Ontario  
23 Hydro honours its contracts and not on any economic  
24 analysis?

25 A. I think there are occasions on which

1 Ontario Hydro, under very significant adverse  
2 circumstances, has been in a position of renegotiating  
3 contracts, so I don't think it's solely a matter of  
4 principle, but certainly honouring contracts is a  
5 principle that we generally abide by.

6 Q. And in the case of these particular  
7 contracts, are you telling me that it is mainly the  
8 principle as opposed to economic analysis which is the  
9 primary consideration in Ontario Hydro's mind when it  
10 says that it, that is Ontario Hydro, will proceed with  
11 these contracts?

12 A. No, I don't think principle is the  
13 main reason. I think these contracts are within the  
14 realm of what is considered to be reasonably economic.

15 So as I said, they were within avoided  
16 cost at the time they were signed, what was reckoned to  
17 be avoided cost at the time they were signed, and if  
18 you review our avoided cost numbers you will find that  
19 they have not changed to a very large degree.

20 So I would expect these contracts to  
21 still be within the range of things that would be  
22 considered reasonably economic.

23 Q. I understand that. But nevertheless  
24 this analysis has not been done. I understand the  
25 logic of what you have just said.



1 [10:45 a.m.]

2 A. As I have said, I don't believe  
3 specifically there has been analysis done.

4 Q. Mr. Snelson, just following up the  
5 same general subject, it's page 21 of my collection,  
6 being paragraph -- or excuse me, page 26137 of the  
7 transcript from Volume 148. Here you are advising the  
8 Board that projects of less than 5 megawatts and  
9 hydroelectric and other renewable projects are still  
10 being accepted. My question has to do with the less  
11 than 5 megawatt group, and is this, in light of the  
12 lower projected demand, what is the rationale for  
13 separating off under 5 megawatt projects?

14 A. I believe it's a desire to keep the  
15 flow of smaller non-utility generation projects not to  
16 unduly constrain that part of the industry.

17 Q. And what benefits flow to Ontario  
18 Hydro from not unduly constraining that industry?

19 A. Well, I believe that most of these  
20 projects do normally fall within the preferred  
21 categories of cogeneration, hydroelectric, and other  
22 renewable and waste fuels, so they are generally the  
23 projects of the categories that we prefer, and often  
24 the opportunities for these projects come up and they  
25 have to be executed at that time, and we didn't want to



1 unduly constrain them.

2 Q. Do I understand you correctly then to  
3 be saying that the 5 megawatts may be more of an  
4 indicator than a criteria which has it's own force?

5 A. It's an administrative criteria in  
6 that we deal with less than 5 megawatt non-utility  
7 generation on a different basis to greater than 5  
8 megawatts, but like a lot of administrative criteria  
9 it's drawing a line through a gray area. So there is  
10 nothing particular about 4.9 megawatts being a great  
11 deal preferable to 5.1 megawatts.

12 Q. Thank you. I would like to turn to  
13 Dr. Tennyson, and ask some questions that relate to  
14 Exhibit 535. I have reproduced in my document  
15 collection just one page from that exhibit, and it  
16 appears at page 18, and what one finds at page 18 of my  
17 collection is page 26 of Exhibit 535.

18 The subject I wish to explore with you  
19 briefly, Dr. Tennyson, is the general subject of who is  
20 "the public" when you use that phrase, and you did use  
21 it quite a number of times. The document to which I  
22 referred you first, that is page 18 of my collection,  
23 says quite clearly that the analysis in Exhibit 535 is  
24 Ontario Hydro's interpretation. You will see that I  
25 have underlined that passage on the page.

1                   Now, I would like to just take you a  
2     little further before I frame a question.

3                   I would ask you to take a look at pages  
4     22, 23, particularly page 23 of my document collection,  
5     just to refresh your memory, Doctor, that here you were  
6     telling the Board about public support for various  
7     things, public support for aggressive demand  
8     management, public support for non-utility generation,  
9     public support for redevelopment of existing stations,  
10    and so on.

11                  Finally, before my question is asked,  
12    look at page 24, and here you are talking about the  
13    public feedback program that was conducted by Ontario  
14    Hydro, and I would like to refer you to some very  
15    specific passages. First, at line 8, you referred to  
16    interested groups and individuals; at line 9, to key  
17    publics, and at lines 13 and 14, to groups and  
18    individuals likely to be involved in the formal review  
19    process.

20                  Now, with that very lengthy introduction,  
21    I would like you to tell me, Doctor, when you talk  
22    about the public, is this Ontario Hydro's understanding  
23    of what the general public in Ontario believes or is  
24    this Ontario Hydro's view of what those who  
25    participated in this public feedback program believe?

1 MR. B. CAMPBELL: Just a minute. I don't  
2 know whether Dr. Tennyson wants to take a minute, but  
3 she has been referred to a lot of material during the  
4 course of Mr. Colborne continuing to speak and we just  
5 received these immediately before the hearing started  
6 today so she has had no separate opportunity to look at  
7 them. She may be quite comfortable dealing with this  
8 question without going through them in detail, but I  
9 think it is fair that she at least be given the  
10 opportunity to look at them if she wants to. That's  
11 all, Mr. Chairman.

12 MR. COLBORNE: I quite agree, Mr.  
13 Chairman, I have referred to four pages, three of which  
14 are transcript pages, but if Dr. Tennyson wishes to  
15 review them now I have no problem with that.

16 DR. TENNYSON: I have had a moment to  
17 look at them.

18 You asked in terms of who is the public?

19 MR. COLBORNE: Q. When you use the  
20 phrase "the public" on behalf of Ontario Hydro to whom  
21 are you referring?

22 DR. TENNYSON: A. The people of Ontario.  
23 It could be broader but we are talking all the people.

24 Q. Now, when you - and I am referring  
25 now to page 24 of the document collection - when you go

1 out and seek out communication with interested groups,  
2 key publics, groups and individuals likely to be  
3 involved, how do you distinguish between what those  
4 more specialized groups say from what the general  
5 public thinks? Do you have any means of analyzing the  
6 information that you have that makes that distinction?

7 A. In terms of any of the feedback  
8 activities, as I have indicated, and as this Exhibit  
9 535 shows, there were the results of the  
10 questionnaires, and that was all documented, as well,  
11 in terms of the information centres that were held, as  
12 I have already indicated, the people that were at the  
13 centre wrote up summary reports of what had transpired,  
14 what concerns had been raised, what the interest was.  
15 There is an analysis in terms of designing a program,  
16 and as you can see there were a number of objectives  
17 here, you want to make sure that you involve the public  
18 generally, but we also have long lists of people who  
19 have been involved with Hydro historically. We have  
20 interest groups, various other stakeholders that would  
21 be interested.

22 So it's a really broad-based kind of  
23 attempt to consult with the public.

24 Q. Wouldn't you agree, though, that the  
25 persons who participate in that type of program tend to

1 have a particular interest of one kind or another, are  
2 not randomly selected from the population?

3 A. Well, as I said, I think that there  
4 are many sort of thrusts to these activities. For  
5 example, the information centres that are held, and  
6 there were 70 of them, 10,000 people attended, and  
7 clearly that is an opportunity for the general public  
8 to be involved.

9 There were also presentations to  
10 provincially-based organizations as you say. And  
11 certainly for a plan, these broad-based interests, I  
12 think, are in appropriate groups as well, to get their  
13 input.

14 Q. So you were satisfied that the result  
15 of your public feedback program did in fact produce  
16 views which are representative of the views of the  
17 general public of Ontario?

18 A. Yes.

19 Q. Did you find, in conducting that  
20 public feedback program, evidence to support a view  
21 which finds expression in the transcript at page 42 of  
22 my collection, if you could turn to that. At the  
23 bottom of the page we have Mr. Snelson answering a  
24 question from Ms. Marlatt. The question is:

25 For example, areas such as judgment



1 and weighing of criteria, those are areas  
2 in which different group may perceive the  
3 process differently from Ontario Hydro?

4 And Mr. Snelson said, yes.

5 My question is, did you, in your public  
6 feedback program, find evidence that different groups  
7 perceived the process that you were eliciting their  
8 views on in different manners?

9 A. Certainly there were different views  
10 expressed about all manner of things.

11 In terms of our analysis, though, we did  
12 not break it down by particular groups for the purposes  
13 of this, as you can see. We were trying to indicate  
14 the broad concerns, the general level of concerns on a  
15 provincial basis.

16 Q. Just to use one example of a subject  
17 upon which the public apparently has a view, and that  
18 is the subject of NUGs. I would like to ask you, how  
19 did you, in the public feedback program, identify NUGs?  
20 How did the general public who were there in this  
21 program in various ways know what the difference  
22 between a NUG and all those things that are not NUGs  
23 was sufficiently to express an opinion on it?

24 A. As I recall, the public were  
25 discussing NUGs and telling us what they thought were



1 the types of non-utility generation they wanted. I  
2 think that's very much been a well discussed topic with  
3 the public. Certainly every meeting I have been at it  
4 comes up and they have ranged from hydroelectric to  
5 cogen or whatever.

6 Q. And did you in all cases --

7 MR. SHALABY: A. To add to that, I  
8 attended many of these centres as well, and there were  
9 information bulletins or boards that had pictures of  
10 various NUGs and had literature available at the centre  
11 that describe what they are. For those who are not  
12 familiar with it, there were pictures and literature.

13 As Dr. Tennyson indicated before, there  
14 were Hydro staff knowledgeable in various areas as well  
15 for people to ask questions.

16 Q. And the pictures and so on that you  
17 are referring to, these were presentations of Ontario  
18 Hydro, were they, not presentations of parties who  
19 might be interested in promoting NUGs?

20 A. Yes.

21 Q. It has become extremely clear and I  
22 don't have to refer to portions of the transcript,  
23 although I could, that the only distinction between  
24 NUGs and non-NUGs is who owns them. And so my question  
25 is, when you determine that the public supports NUGs,

1 is that not then just a test or an indication of  
2 people's philosophical attitudes towards ownership by  
3 Ontario Hydro as opposed to ownership by others than  
4 Ontario Hydro?

5 DR. TENNYSON: A. I couldn't agree with  
6 that.

7 Q. Well, there is a reason why I ask,  
8 because it sometimes seems that there is an idea that  
9 NUGs means small generation of one kind or another, as  
10 opposed to NUGs meaning owned by someone other than  
11 Ontario Hydro, and I was just wondering if there is any  
12 chance that the public might have been confused about  
13 that.

14 [10:57 a.m.]

15 A. Not to my knowledge.

16 Q. So the general public has an opinion  
17 as to whether a given facility ought to be owned by  
18 Ontario Hydro or owned by someone else.

19 MR. SNELSON: A. My experience at  
20 meetings and so on has been that, generally speaking,  
21 people do associate non-utility generation with small  
22 hydro development, cogeneration, waste fuels, possibly  
23 solar and wind and that covers both, and they may very  
24 well be commenting on those technologies as opposed to  
25 the exact form of ownership because those are usually

1 the technologies that are developed by non-utility  
2 generators.

3 Q. To that extent then, Mr. Snelson,  
4 would you agree that the general public may be a little  
5 confused or at least they may not know what you know,  
6 and I'll read it to you.

7 I'm looking at page 40 of my document  
8 collection. Towards the bottom of the page there is an  
9 underlined portion, or it may be underlined at page 19  
10 where you have said - and just for the record this is  
11 page 26993 of the transcript Volume 153 - you have  
12 said:

13 "Well, non-utility generation is  
14 just a definition of who owns it, it's  
15 not a question of where the resources  
16 come from."

17 So would you agree that there may be some  
18 confusion out there?

19 A. I think that we interpret what we  
20 hear in the light of what we expect the public to be  
21 considering in terms of non-utility generation, and you  
22 will notice that we, in our preferences, treat certain  
23 classes of non-utility generation differently to other  
24 non-utility generation to take that into account.

25 Q. Dr. Tennyson, those different

1 classes, are they accommodated in the materials that  
2 you presented to the public, in your questionnaires,  
3 for instance? I'm just looking quickly to refresh my  
4 memory.

5 MR. SHALABY: A. I think the advent of  
6 the major supply NUGs was something that came after the  
7 information centres. At the time of the information  
8 centers the potential of large major supply NUGs was  
9 not really on the horizon at the time. That's my  
10 recollection.

11 Q. I didn't expect to be going in this  
12 direction, so I have here Exhibit 535 and I wonder if I  
13 could refer to pages 22 and 23 for one question.

14 MR. COLBORNE: This is not in the  
15 materials that I have prepared ahead of time, Mr.  
16 Chairman, but I think I'll just have one question or  
17 two here.

18 Q. What one finds at pages 22 and 23 of  
19 Exhibit 535 are summaries of the information centre  
20 data; that is, number of visitors, number of  
21 questionnaires, the location and so on and so forth.  
22 Is that correct?

23 DR. TENNYSON: A. That's correct.

24 Q. In my looking at this - I hate to try  
25 generalizing about these things - but it appears to me

1 that not very many people showed up.

2 I know that when one aggregates all of  
3 the numbers and all the effort of Ontario Hydro there  
4 was a lot of it, but we have, particularly in the  
5 north, only a handful of people very often showing up  
6 and then in some places, like Elliot Lake, it looks  
7 like half the township showed up, that may be the one  
8 example.

9 So here's my question: Would it have  
10 been possible for someone who has millions of dollars  
11 at stake to stack any of these meetings?

12 Sure, I mean, don't some of our most  
13 respected politicians bus people to the meetings by  
14 which they receive their nominations.

15 If we have millions of dollars at stake  
16 couldn't a party just encourage their friends and  
17 supporters to go out to these meetings. What's to stop  
18 that, and how would you know if it was happening?

19 A. I suppose anyone could use any means,  
20 I suppose, to get people to go to a meeting.

21 Q. I'm not suggesting anything illegal  
22 here, because you don't pretend that you are screening  
23 the persons who attend and you have already said that  
24 they are a randomly selected group.

25 A. Well, self-selection actually.



1 Q. They are self-selected, yes.

2 A. Actually.

3 Q. But they may also; wouldn't you  
4 agree, at least possibly be or at least include persons  
5 who are there for the very purpose of encouraging  
6 Ontario Hydro to believe that the general public  
7 supports something?

8 A. No.

9 Q. Why do you think that's impossible?  
10 There's certainly major public relations efforts and  
11 expenditures in relation to some of the subjects that  
12 are before this Board.

13 A. I find this very --

14 THE CHAIRMAN: Your concern deals with  
15 the possibility that a proponent of a non-utility  
16 generation facility might pack a meeting, is that what  
17 you are suggesting may have happened?

18 MR. COLBORNE: No, not non-utility  
19 generation only, but there are a number of very  
20 self-interested and properly so, contenders for the  
21 energy dollar and we have here Ontario Hydro conducting  
22 a program to identify what the public thinks and it  
23 would seem to me to make sense, and probably not be  
24 improper, for any one of these contenders to take steps  
25 to make sure that their supporters are out there at



1       these meetings.

2                   I'm just wondering if Ontario Hydro has  
3       any way of filtering that possibility so that when they  
4       come here and say the public thinks such and such, are  
5       they absolutely certain that that is the public  
6       speaking, or could that be, in part, the interested  
7       parties speaking through --

8                   THE CHAIRMAN:   Okay.   What's your  
9       question then to the panel?

10                  MR. COLBORNE:   The question is whether  
11       there was any way of filtering out that possibility or  
12       identifying whether or not it couldn't have been  
13       occurring.

14                  DR. TENNYSON:   When we do an analysis or  
15       we come before the Board and present what the public  
16       has indicated, we are looking for trends, for the fact  
17       that large majorities of people that attended across  
18       the province or that we talked to -- we had numerous  
19       presentations to groups, as I said, we had 10,000  
20       people come out to these centers.   We have had many,  
21       many calls.

22                  So that you are looking for broad issues,  
23       broad support for things, general support for things  
24       and so anomalies would not be the thing that would  
25       drive that kind of analysis.

1 MR. COLBORNE: Q. Thank you. I can go  
2 on to another subject now, and this is for Mr. Shalaby.

3 Sir, could you look at page 36 of my  
4 document collection being page 26380 of the transcript,  
5 Volume 149 --

6 MR. B. CAMPBELL: We have got a different  
7 number than you. Page 36?

8 MR. COLBORNE: Oh, I'm sorry, page 30.

9 Q. And I just want to refer you, sir, to  
10 the answer that you gave toward the top of the page  
11 where you were saying that in calculating the  
12 cost/benefit ratios for hydraulic, the values have in  
13 fact improved somewhat.

14 I believe you were saying that they  
15 improved somewhat in the Update because hydraulic  
16 generation relies:

17 "...more and more on the tail end of  
18 the avoided costs and the system  
19 incremental values have risen in that  
20 time period."

21 Do you see that passage, sir?

22 MR. SHALABY: A. Yes.

23 Q. This is a matter of clarification for  
24 me, I don't know if it was thoroughly canvassed before.  
25 But just so I can be clear, does this mean that when

1 you are costing a hydraulic plant you look at the  
2 avoided cost over the entire 90-year expected life of  
3 the plant?

4 A. Yes.

5 Q. And so does that mean, in layman's  
6 language, that you are looking into the latter half of  
7 the 21st century and saying: Here's what we think our  
8 avoided costs will be at that time?

9 A. Yes.

10 Q. And you are comparing that with what  
11 the 90-year capitalization cost of the dam and the  
12 power plant and so on built this year or next year are?

13 A. Yes.

14 Q. Now, I guess I would have to ask you  
15 to think about some of the discussion that has gone on  
16 here about Ontario Hydro's preference for, I think one  
17 of the phrases that was used was, the concept of just  
18 in time decision-making, the idea of -- well, perhaps I  
19 can give you a reference from transcript.

20 Yes, perhaps you could look forward to  
21 page 38 of my materials which is page 26840 of the  
22 transcript from Volume 152. Here Mr. Snelson at  
23 pages -- excuse me, line 13 and following is saying  
24 that Ontario Hydro:

25 "...would like to have a more

1 flexible process of reviewing planning  
2 decisions that allowed decisions to be  
3 made at times that were appropriate from  
4 a planning perspective...or at least,  
5 more appropriate."

6 So my question is: Would you agree with  
7 me, sir, that that costing exercise going up to 90  
8 years into the future is - although it may be  
9 necessary, I'm not questioning that - is out of line  
10 with Hydro's preference.

11 Hydro would prefer; would it not, to be  
12 able to make these decisions on the basis of  
13 information which was known a little more confidently  
14 than that?

15 MR. SHALABY: A. No, I don't see them in  
16 conflict. I see that if you have to decide whether to  
17 build a hydraulic plant or not, we would like to make  
18 that decision closer to knowing whether we need it in a  
19 particular time period or not and whether the approvals  
20 are in place or not. That is the concept of making  
21 decisions when most of the information is available.

22 One piece of information that will never  
23 be available with much more confidence is, what's the  
24 value of that plant 80 years out or 90 years out.

25 Q. But that flows in part from the

1 nature of the beast; does it not?

2 A. Yes.

3 Q. This is a great big pile of concrete  
4 and it's going to function for many, many years. This  
5 is not something that has a 10 year or a 20 year life  
6 expectancy, this is something that you have to  
7 anticipate will be functioning in 2075, say?

8 A. That's the reason we make those  
9 assumptions.

10 Q. I would like to just skip over to Mr.  
11 Snelson for a moment. I think I'll be returning to  
12 this subject, however.

13 Mr. Snelson, could you look at page 31 of  
14 my materials, which is page 26409 of the transcript  
15 from Volume 149, and here you were telling the Board  
16 that in the winter just past, that is the 91-92 winter,  
17 the actual January peak was 23,500 megawatts which was  
18 substantially less by 2,300 megawatts than the starting  
19 point of the upper load forecast.

20 Now, my first question, sir, is: Are  
21 there separate figures for the west system? You have  
22 given us the overall numbers here.

23 MR. DALZIEL: A. I'm not aware that  
24 there is a separate load forecast for upper and lower  
25 that's applied to the east and the west system. My



1 understanding is the methodology for upper and lower  
2 load forecast is applied to the median load forecast.

3 The median load forecast does have -- I  
4 think there is some information on east and west system  
5 loads in the median, but then when you apply that  
6 uncertainty model to the aggregate median load forecast  
7 you are not getting a breakdown of the load by east and  
8 west system under upper and lower load forecast.

9 Q. So there is a median projection for  
10 west but there is no upper/lower, so that we don't have  
11 a band projected but we do have a median projected?

12 A. I think the bandwidth applies to the  
13 complete system.

14 Q. Where would one find that median  
15 projection for the west system?

16 A. I would expect it to be in the load  
17 forecast exhibits. I think those earlier exhibits were  
18 Exhibits 7, 8, and 9 for example.

19 I would have to check whether that level  
20 of detail is provided in the update to the 1990 load  
21 forecast and I think I'm being advised that it doesn't  
22 appear to be in Exhibit 467 which was the update.

23 But I think if you go back and look at  
24 Exhibit 7, 8 and 9 you would find that kind of  
25 information.



1 Q. But that would be information having  
2 to do with the proposal in the form that it was prior  
3 to the update; am I correct?

4 A. That's correct.

5 Q. And is there a separate projection  
6 for the west system in relation to the update?

7 A. I don't know the answer to that.

8 Q. Does any member of the panel know?

9 MR. SHALABY: A. I recall there may be  
10 interrogatory answers dealing with uncertainty analysis  
11 for the west system and perhaps projection of load on  
12 the west system.

13 [11:15 a.m.]

14 I can't remember it offhand, but I think  
15 there is, in the body of interrogatories in Panel 1 and  
16 Panel 4, there has been discussion of the west system  
17 treatment, projections for demand on the west system.

18 Q. Very well. What about actual winter  
19 peak consumption in the winter just past, does Ontario  
20 Hydro have separate figures for the west system?

21 A. Yes.

22 Q. And where would one find those?

23 A. We can undertake to provide that. I  
24 don't know where we can lay our hands on them right  
25 now.

1 MR. COLBORNE: I would request an  
2 undertaking.

3 THE CHAIRMAN: No.?

4 THE REGISTRAR: That would be .28.

5 MR. COLBORNE: That would be the figure  
6 for the west system that matches or corresponds with  
7 the figure for the entire system which appears here on  
8 page 26409 of the transcript.

9 MR. B. CAMPBELL: Just so we are clear,  
10 that's the actual west system peak load last winter?

11 MR. COLBORNE: Yes.

12 MR. B. CAMPBELL: Thank you.

13 ---UNDERTAKING NO. 684.28: Ontario Hydro undertakes to  
14 provide west system peak load last  
15 winter that corresponds with the figure  
for the entire system which appears on  
page 26409 of the transcript.

16 MR. COLBORNE: Q. Mr. Snelson, just one  
17 more point about the evidence that you gave on this  
18 page perhaps of a philosophical type. You have noted  
19 that the actual consumption last winter was very much  
20 lower than the starting point of the upper load  
21 forecast. I have just looked at the graphs and it  
22 seems to me it's somewhere around the lower load  
23 forecast. Was I reading them correctly?

24 MR. SNELSON: A. Yes, and I think we  
25 indicated that that is what you expect in the middle of

1 a recession.

2 Q. Yes. My question is from lines 17  
3 and 18 of this page. You are saying that in the long  
4 run you still think the upper load forecast is in the  
5 same location. And I think I understand what you mean  
6 by that, that you don't change your projections on the  
7 basis of what happens in one year because of course  
8 next year it may fluctuate higher, but in the perfect  
9 world don't you do that? In the perfect world don't  
10 you say, okay, we have had one low year, therefore  
11 everything, really, if we had a monster computer that  
12 could take into account every possible thing and  
13 project for us, wouldn't we just press the button and  
14 say, we have had a low year therefore the projections  
15 would be down a bit?

16 A. I don't think it's that simple, even  
17 with the massive computing power you are postulating.

18 Q. It may not be simple but what do you  
19 think about that?

20 A. Well, the load forecasting  
21 methodology would have been talked about by Mr. Burke  
22 and Mr. Rothman and the other member of Panel 1. But  
23 the load forecast is on the basis that over a period of  
24 time there will be recessions and there will be booms.  
25 And so just the existence of a recession doesn't

1 necessarily cause the long-term expectations to change.

2 Now, if the analysis of the underlying  
3 trends starts to indicate that there is a lower trend  
4 in load growth, then yes that will be reflected into  
5 long-term load growth figures.

6 Q. I don't want to belabour this, but  
7 what we are talking is when does a long-term trend  
8 start to occur. Does it occur after two years or after  
9 five years? And I am saying, in a perfect world surely  
10 it has started within a year because you would have a  
11 year's worth of actual information.

12 A. I think we discussed this in a  
13 previous cross-examination, and the part that is missed  
14 from that way of looking at it is that when you are  
15 analyzing actual load growth experience, and there is  
16 an intermediate step between saying the experience has  
17 been thus and so, therefore the projection should be  
18 changed in some way, then there is a step of analysis  
19 of analyzing why is the load growth lower today than  
20 you previously thought this was going to be, why is it  
21 different, and if that difference starts to indicate  
22 something which you expect to be of a reasonably  
23 permanent nature, or affects the long-term trends, then  
24 yes, that would get reflected into the long-term load  
25 forecast and that may take place with as little as one

1 year's experience. But you can't just automatically  
2 assume one year's load growth lower, therefore the  
3 projection should be lower.

4 Q. Have you redone the projections on  
5 the basis of actual consumption of power in the '91/92  
6 winter?

7 A. I believe there has been an update  
8 for the short-term that has been given to the Ontario  
9 Energy Board.

10 Q. Thank you. I want to spend some time  
11 now with the no-approvals case, and I hope not to  
12 duplicate some of the questions that Mr. Castrilli  
13 asked this morning. I certainly won't intentionally.

14 Let me begin with Mr. Dalziel. If you  
15 could turn in my collection of documents to page 33,  
16 which is page 26446 of the transcript, Volume 149. I  
17 believe this is your evidence, sir. And I am referring  
18 you to this page just so I am absolutely certain what  
19 the evidence is.

20 My understanding is that this page is a  
21 place where one can find a summary of a considerable  
22 bit of discussion about what the practical effect of  
23 the no-approvals scenario is. And the practical effect  
24 is, if I read the evidence given here correctly, that  
25 about 10 -- I will read from lines 16, 17 and 18:



1 About 10 terawatthours more of energy  
2 being produced from natural gas.

3 Just in terms of what is producing the  
4 energy that goes into Hydro's system, that's the effect  
5 of the no-approvals scenarios; am I correct?

6 MR. DALZIEL: A. I believe that's  
7 correct and that applies under upper load forecast  
8 conditions.

9 Q. And what applies under median load  
10 forecast conditions?

11 A. Under median load forecast you would  
12 still have the same 10 terawatthours that needs to be  
13 made up, but I believe it comes more from the existing  
14 system, running the existing system harder,  
15 particularly the fossil system.

16 Q. And under low, you simply don't need  
17 to make up the 10 terawatthours; is that correct?

18 A. Not in the earlier years, but out  
19 towards the end of the plan period you would need to  
20 make it up, again it would be mostly a combination of  
21 the existing system and perhaps the earlier use of  
22 non-utility generation.

23 Q. And most of that non-utility  
24 generation would be natural gas?

25 A. Likely.

1 Q. Could you turn to the next page,  
2 please, sir, page 34 of my collection, which is page  
3 26440 of the transcript, Volume 149. And right at the  
4 very top, the top line refers to a \$143 million loss,  
5 if I can use that term loosely, if the Manitoba  
6 Purchase proceeds. And if you turn to the very last  
7 page in my collection, one finds a graph, which is page  
8 109 of Exhibit 682. Could you get those two documents  
9 before you, Mr. Dalziel?

10 A. Yes, I do.

11 Q. The graph that I have referred to, is  
12 that the graph which illustrates the point that you are  
13 making in the transcript?

14 A. Yes, it does.

15 Q. And so that little nub in the middle  
16 of the graph represents the \$143 million - I will use  
17 the term loss, I think you may want to define it some  
18 other way - but that's the 143 million; is that  
19 correct?

20 A. That's correct.

21 Q. And if one looks over at the  
22 left-hand side of the graph, the lower load forecast,  
23 that represents, once again, a "loss" of well over a  
24 billion dollar; is that correct?

25 A. About 1.3 or so, that's correct.

1 Q. And over on the right-hand column you  
2 have got over a billion dollar, and I will just use the  
3 term gain, if it is the upper load forecast, which  
4 becomes the reality?

5 A. Yes.

6 Q. Okay. Now, I want to ask I guess the  
7 same question which I asked of Mr. Shalaby, and that  
8 is, when numbers like that appear, doesn't it seem to  
9 you to be a little out of place with Ontario Hydro's  
10 preference for making these decisions when all the  
11 facts are in, or as much as possible, to have that  
12 range, over a \$2 billion range, out there basically as  
13 a gamble, that is very high-stakes gambling; wouldn't  
14 you agree?

15 A. I think it indicates some of the  
16 difficulties that are faced in making decisions and the  
17 kind of costs and range of costs which you have to take  
18 into account in your decision-making process.

19 Q. But if you were proposing to generate  
20 the same amount of power in a different way, that is  
21 non-hydraulic, you wouldn't have this enormously long  
22 time frame and therefore this enormously wide range of  
23 possibilities; isn't that correct?

24 A. I'm not sure that that follows. I  
25 think under any circumstance you are going to have an

1 alternative to choose between, and it's likely that the  
2 lifetime of the options in either alternative are  
3 extending out 20, 30, 40 years at least for many of the  
4 fossil and nuclear options, and that the hydraulic  
5 options go out beyond that time frame. I'm not sure  
6 that that by itself is making it much more difficult.  
7 Once you are already out 30, 40 years, you are already  
8 faced with a difficulty of not knowing exactly what the  
9 situation will be that far out in the future and you  
10 are wanting to make your decisions with the best  
11 information that you have available at the time that  
12 you need to make the decision.

13 Q. Nevertheless, would you agree that  
14 hydraulic does carry with it by far the longest time  
15 frame in terms of the projections that you are required  
16 to make?

17 A. Yes, it does.

18 MR. SNELSON: A. I think that also  
19 raises a point with respect to flexibility, and that is  
20 that for an option that has a lifetime of 15 years,  
21 say, for a contract, then making the decision exactly  
22 which 15 years you want to have that, and whether you  
23 want it from 2005 to 2010, or 2010 to 2025, is quite  
24 critical because you can swing from surplus to deficit  
25 over a period of time.

1                   The hydraulic option, because it has a  
2     long life, then the decision on exactly which year you  
3     build it is not quite as critical because you expect  
4     over a full 90-year life to need it for most of that  
5     time. If you end up having made the decision a little  
6     early, then you will have a little less benefit in the  
7     early years than you expected but you are still  
8     expecting to have the benefit for most of that  
9     lifetime. Generally hydraulic has been very beneficial  
10    from a long-term life point of view.

11                  Q. Just on that point, Mr. Snelson, if  
12    you could take a look at page 35 of my collection, at  
13    the paragraph beginning in line 2, this is page 26448  
14    of the transcript, Volume 149. If I understand your  
15    evidence here correctly, you are saying that even  
16    though for the Manitoba Purchase there will be higher  
17    rates, these can be justified or at least in part by  
18    the fact that infrastructure is being added. And when  
19    you say that, are you referring to dams and the  
20    enhanced transmission corridor in the north of the  
21    province?

22                  A. First of all, this paragraph applies  
23    to both the hydraulic options and the Manitoba  
24    Purchase.

25                  Q. Yes, I agree. And I should have



1 phrased my question to incorporate the hydraulic option  
2 as well.

3 A. And the long-term infrastructure  
4 being referred to includes hydraulic dams in Ontario  
5 and associated transmission, and the major improvements  
6 to the transmission system through Northern Ontario  
7 associated with the Manitoba Purchase. There is also  
8 improvement to the energy infrastructure in Manitoba  
9 but that is less of a concern to Ontario Hydro.

10 Q. Sir, you just said in the long run  
11 hydraulic has been a good bet. I know those weren't  
12 your words, but is that the spirit of your evidence a  
13 few moments ago?

14 A. That is part of it, yes.

15 Q. So are you saying here, where you  
16 talk about infrastructure for the benefit of future  
17 generations, are you saying that Ontario Hydro  
18 basically continues with that particular attitude, that  
19 hydraulic generation has been good for us in the past,  
20 so let's stick with it?

21 A. I don't think it's as simple as that.

22 I think we recognize that hydraulic  
23 generation is a renewable energy source, that the  
24 capital investments associated with it have a very long  
25 lifetime, and that there are certain financial

1 consequences to that which are that the accounting  
2 costs tend to be somewhat to the front end of the life  
3 of the option and somewhat lower towards the back end.  
4 That has been our experience because of the  
5 characteristics of the option, and we expect those  
6 characteristics to be the same and that's why we think  
7 it's a good option for the future, too.

8 Q. However, in cases where you have to  
9 raise rates, as we have just referred to, in order to  
10 get the benefits that you have just mentioned,  
11 including infrastructure, my question really is, are we  
12 talking about what is good for Ontario Hydro or what is  
13 good for the public?

14 Certainly Ontario Hydro has a history and  
15 a commitment to hydraulic, but what, in principle, is  
16 wrong with turning to natural gas if it's cheaper?

17 A. Well, the raising of rates is  
18 something we expect to be a temporary phenomenon. It's  
19 something you always get with a capital investment. We  
20 do present value analysis which is to say are the costs  
21 over the long-term going to be higher or lower, and it  
22 is the present value analysis which is the primarily  
23 decision variable on cost, and that is an indication of  
24 the cost to our customers over the life of the option.  
25 So we are definitely looking to the customers' interest

1 here, we are not looking at any internal agenda.

2 Q. But let's talk about the Manitoba  
3 Purchase for a moment. If I understand the evidence  
4 correctly, its at about the breakeven point in the  
5 terms of economics and that incorporates all of the  
6 long-term projections. That's not just near term  
7 rates; is that correct?

8 A. That is correct. But we also believe  
9 there are other advantages which are not captured in  
10 the economic analysis.

11 Q. Yes, I believe that you have given us  
12 some evidence with respect to those. And just before I  
13 get to that, that approximately breakeven situation,  
14 though, that is with the 10 per cent preference  
15 factored in?

16 [11:37 a.m.]

17 A. No.

18 Q. No? Okay. Well, I --

19 A. We don't apply 10 per cent preference  
20 to the Manitoba Purchase.

21 Q. I'm sorry, I'll have to review the  
22 evidence then. So it's approximately breakeven.

23 And if I could refer you to pages --  
24 well, let's begin at page 36 of my document collection,  
25 page 26452 of the transcript, Volume 149.

1                   Just take a moment to refresh your memory  
2           there if you like, Mr. Snelson. But here you are  
3           talking about the no-approvals scenario, and you were  
4           advising the Board why it's not satisfactory and, as we  
5           know, the no-approvals scenario essentially is no  
6           Manitoba Purchase and no new hydraulic.

7                   So I just wanted to explore some of the  
8           points that you were making here to see how bad this  
9           no-approvals scenario is, if it's bad at all. And you  
10          did say that there were three points or three principle  
11          areas that had to be considered in regard to the  
12          no-approvals scenario, first was diversity; right, do  
13          you recall that portion of your evidence?

14                   A. Yes I do.

15                   Q. In my reading of the transcript here,  
16          and I'll refer you to the first line, you say that --  
17          you use the term unprecedented, to refer to the level  
18          of production from the natural gas source at line 1.  
19          At page 4 --

20                   A. Sorry, I recall the statement but I  
21          haven't found it in this transcript excerpt. Which  
22          page are you referring to of your own exhibit?

23                   Q. Right at the top of the page that I  
24          have marked as 36.

25                   A. Oh.

1 THE CHAIRMAN: You really have to have  
2 looked at the page before I guess to get the sense of  
3 it.

4 MR. COLBORNE: Q. Yes, it might have  
5 been better if I had given you page 26451?

6 MR. SNELSON: A. The statement is with  
7 regard to the amount of energy from the Ontario Hydro  
8 fossil system, I believe.

9 Q. Yes, but the main change represented  
10 by the no-approvals scenario is adding 10 terawatthours  
11 of natural gas production essentially. I think that is  
12 what we have just heard?

13 A. Yes, and that 10 terawatthours could  
14 be partly from Ontario Hydro's fossil system and partly  
15 from the non-utility generators.

16 Q. Yes. I don't want to belabour a  
17 point here but we use fossil every now and then but  
18 aren't we really talking natural gas? We are not  
19 talking about new coal plants, we are talking about  
20 generation from natural gas as the probable way of  
21 producing power in the no-approvals situation?

22 A. Well, I think we have indicated that  
23 under upper load forecast we would expect that most of  
24 the differential in energy between a with-approvals  
25 upper compared to a no-approvals upper, that most of



1 that differential would be from natural gas.

2 Q. Right?

3 A. But the 80 terawatthours that was  
4 referred to in this very high figure here, does refer  
5 to coal, oil and natural gas.

6 Q. Yes I understand that.

7 Now, on page 36 of my collection, page  
8 26452 of the transcript, I do want to refer you to  
9 three passages that I began to mention a moment ago.

10 THE CHAIRMAN: Perhaps we should take the  
11 break just now, if that's okay with you?

12 MR. COLBORNE: Yes, fine.

13 THE CHAIRMAN: We will take a 15-minute  
14 break.

15 THE REGISTRAR: Please come to order.  
16 This hearing will recess for 15 minutes.

17 ---Recess at 11:43 a.m.

18 ---On resuming at 12:03 p.m.

19 THE REGISTRAR: Please come to order.  
20 This hearing is again in session. Be seated, please.

21 THE CHAIRMAN: Mr. Colborne.

22 MR. COLBORNE: Q. Mr. Snelson, I believe  
23 you may still have page 36 from my document collection,  
24 that is Exhibit 712, before you?

25 MR. SNELSON: A. Yes, I do.

1                   Q. I want to refer you to three passages  
2 there, the first is at line 1 where you refer to the  
3 unprecedented level of, I guess it is, the appendix on  
4 fossil generation. If I understood your clarification  
5 a moment ago. And to line 4, where you use the phrase  
6 natural gas dependence, and to lines 14 and 15 where  
7 you say:

8                   "We would end up with mostly efficiency,  
9 different, which is good, and natural gas..."

10                  And so on.

11                  Now, sir, with respect I read almost a  
12 moral tone in that, like, the evil natural gas coming  
13 down the pipeline, as if it's some kind of affliction,  
14 natural gas dependence.

15                  Now, sir, isn't it true that even if this  
16 happened, even if the no-approvals scenario occurred,  
17 Ontario Hydro still has a lot of hydraulic generation,  
18 still has a lot of nuclear generation, still has  
19 existing coal generation and so on and so forth,  
20 whereas this sounds like a description of some terrible  
21 event.

22                  A. It is not intended to be a  
23 description of a terrible event.

24                  Q. Okay, but would it not be a terrible  
25 event for several floors of the Ontario Hydro building

1 because all of a sudden you wouldn't be planning dams  
2 anymore?

3 A. No, I think that the concern here  
4 about natural gas - and it is necessary to balance the  
5 desire to take advantage of the current good  
6 availability, reasonable price and low environmental  
7 impact of natural gas and to take advantage of that for  
8 the benefit of our customers, and the need to balance  
9 that against the knowledge that natural gas is a  
10 somewhat more limited resource than some other sources  
11 of energy and that over the long-term, I'm talking many  
12 decades, then there is concern about the sustainability  
13 of being able to continue to use high levels of natural  
14 gas and the likelihood that as certain reserves of  
15 natural gas become exhausted then you have to go and  
16 look in more difficult places to find it at higher  
17 cost.

18 Q. Yes, I don't want to re-visit the  
19 discussion of natural gas but nobody has come here and  
20 said natural gas is in short supply, have they?

21 A. Our own fuels people are indicating  
22 that natural gas is in good supply for the next 10 to  
23 20 years.

24 Q. And if in the next 10 to 20 years,  
25 the natural gas supply becomes more difficult, there's

1 nothing to stop you from putting the hydraulic and, I  
2 know it's a little more complicated, the Manitoba  
3 options back in place, is there? Those being what they  
4 are, that is potential sites they remain as potential  
5 sites forever really; do they not?

6 A. Well as you have indicated and I  
7 indicated in my direct evidence, there is no assurance  
8 that the Manitoba Purchase will be available to Ontario  
9 at some time in the future. It's a combination of  
10 circumstances that permitted us to enter into that  
11 agreement, but physically the ability to generate  
12 hydraulic energy in Manitoba will be available for  
13 whoever that would be used for and physically the  
14 ability to generate hydraulic energy in Ontario would  
15 be available and that would presumably be available to  
16 Ontario Hydro. I think you do have to recognize that  
17 any energy that would have been generated by earlier  
18 development of hydraulic versus later development of  
19 hydraulic is a use of non-renewable fuels which will  
20 never be recouped.

21 Q. Let's turn for a moment to the second  
22 general point that you made with respect to the  
23 no-approvals scenario and that is flexibility. And  
24 here we are still on page 36 of Exhibit 712 and that is  
25 page 26452 of the transcript.

1                   If I read your evidence correctly in  
2   regard to flexibility which begins on that page and  
3   continues on the next, I'll just give you a moment if  
4   you need it to refresh your memory here. I'm referring  
5   to your evidence that starts at line 19 of my page 36  
6   and concludes at line 11 of my page 37.

7                   A. Yes.

8                   Q. Now, am I correct, sir, here, you are  
9   saying that in the no-approvals situation you would  
10   probably have to come back in one way or another asking  
11   for a major supply approval of some kind.

12                  A. Well, first of all, we have used the  
13   name no approvals for this particular case and I want  
14   it to be plain that this does not mean no approvals at  
15   any time, it means no approvals in this particular  
16   planning process and we have assumed that we would come  
17   back for approvals and some subsequent planning process  
18   but not within five years. So, in the illustrative  
19   case for no approvals you will see major supply options  
20   towards the end of the 25 year period.

21                  Q. I see?

22                  A. But the intent of this comment was  
23   not to refer to that. The intent of this comment was  
24   to indicate that without the hydraulic and Manitoba  
25   Purchase options we would have 2,400 to 2,800 megawatts



1 less of capacity that we were relying upon in the early  
2 2000s and that would put into question the planning  
3 around the median approach which says that for  
4 flexibility we don't need to have major supply  
5 approvals at this time. We believe that that would be  
6 seriously questioned in the event that we did not have  
7 those approvals.

8 Q. I see. That's a great relief. I  
9 thought that one possible reading of this was that on  
10 the day after a no-approvals decision there would be a  
11 major supply application and a reconvening of this  
12 process.

13 The third subject that you referred to in  
14 your evidence in relation to the no-approvals scenario  
15 is the one which you begin discussing on page 37 of my  
16 materials, that is page 26453 of the transcript at line  
17 12. And that is, to use your term, policy matters.

18 I would like you to just glance through,  
19 if you need a moment your evidence that begins on that  
20 page. I'm afraid I haven't given you the following  
21 pages, but I believe you would recall what you told the  
22 Board on that day, that is, you were referring to  
23 things like Smoky Falls, Niagara, Patten Post and so  
24 on?

25 A. Yes.

1 Q. And how it is Ontario government  
2 policy or apparently Ontario government policy that  
3 some of these, the three that I have mentioned  
4 certainly, and the three that you have mentioned,  
5 should go ahead for particular reasons. Smoky Falls  
6 because of the tie-in with Kapuskasing and Niagara  
7 possibly because of renegotiation of the water  
8 agreement, Patten Post because we need jobs for minors  
9 at Elliot Lake and so on.

10 Now, my question to you is: don't you  
11 agree with me, those are not environmental  
12 considerations, those are not considerations that are  
13 before this Board, those are considerations that are  
14 applied after this Board makes its decision.

15 MR. B. CAMPBELL: Just a moment. Mr.  
16 Chairman, in my submission, the role of government  
17 policy in these matters is a matter that my friend can  
18 certainly explore how that government policy has  
19 influenced the recommendations to this Board, but I  
20 think it is a matter of argument as to what the Board  
21 should consider in making its decision and not a matter  
22 for evidence. I take my friend's question to be what  
23 should the Board take into account, I think Mr. Snelson  
24 can say what Ontario Hydro felt appropriate to take  
25 into account, but I think he is stepping over into an

1 area for argument.

2 MR. COLBORNE: I think that point is well  
3 taken. I won't require this witness to answer that  
4 question unless you have a different view, Mr.  
5 Chairman?

6 THE CHAIRMAN: Well, I felt also that  
7 there is a very broad statute definition of what  
8 environment means and so I the thought your question  
9 also suggested a much narrower concept of what the  
10 environment means and that has a very broad connotation  
11 in statute.

12 MR. COLBORNE: Yes, I had in mind more  
13 the process under the statute than the definition, but  
14 having asked the question, I intend tend to agree with  
15 Mr. Campbell, I'm asking a witness to comment on  
16 something which is not a matter of fact. So I'll pass  
17 on to the next subject.

18 Q. And that is, Dr. Tennyson, I have  
19 included in this package, being exhibit 712, a document  
20 which begins at my page numbered 1 and concludes at my  
21 page No. 17.

22 It's my understanding, and correct me if  
23 I'm wrong, that you received this document on January  
24 14th, from Mr. Clark.

25 THE CHAIRMAN: Are you able to identify

1 what the document is.

2 MR. COLBORNE: Yes, I am sorry.

3 THE CHAIRMAN: It doesn't have any  
4 heading. Its looks like notes of a meeting or  
5 something.

6 MS. PATTERSON: Page 1.

7 THE CHAIRMAN: Does page 1 say what it  
8 is?

9 MR. COLBORNE: Page 1 has a title.

10 THE CHAIRMAN: I am sorry. I thought it  
11 was the title for your whole package. Do you know, Mr.  
12 Colborne, whose minutes they were, who took the  
13 minutes.

14 MR. COLBORNE: These are minutes that  
15 were prepared by my client, NAPA.

16 THE CHAIRMAN: All right.

17 MR. COLBORNE: Perhaps a couple of  
18 further background questions to Dr. Tennyson.

19 Q. This document refers to a conference  
20 of November 14th and 15th 1991. You did attend that  
21 conference?

22 DR. TENNYSON: A. Yes I did.

23 Q. And am I correct that you received  
24 these minutes in January. Do you recall?

25 A. I can't actually recall. I think it

1 may have been while I was on panel 7. I think.

2 Q. Yes. That's my understanding that  
3 they were hand delivered here. And I know the problem  
4 that we all have with paper, so I'm not intending here  
5 to hold you up on the basis of not having read every  
6 piece of paper that passes through your hands, but this  
7 document does contain matters of importance to my  
8 client.

9 Now, I am not going to take up the time  
10 of this Board with every matter and undertaking that  
11 was discussed between Ontario Hydro and my clients, but  
12 have you had a chance to look over those matters marked  
13 with asterisks as Ontario Hydro undertakings from that  
14 conference?

15 A. I have of course read the minutes. I  
16 have noted the various undertakings as you call them.

17 Q. Now, it's my understanding and I  
18 really want to avoid a debate, if I can, about whether  
19 each little detail and so on is true. But not a single  
20 one of those has been satisfied. I mean, things as  
21 simple as sending Sam Horton's business carried to my  
22 client has simply not been carried out.

23 Do you have any idea why that would be  
24 the case if you agree that it is true?

25 A. I am not aware that everything hasn't



1       been carried out. There are different people in here  
2       that are mentioned as having said they would do things,  
3       including myself. I can only speak for the ones --  
4       there are a couple here that I have not followed  
5       through on.

6       [12:20 p.m.]

7                   Q. Well let's just stick with those.  
8       Why would that be?

9                   A. All I can say is mea culpa, I have  
10      asked for some things to be done and if you are telling  
11      me they haven't been done, I can only apologize.

12                   Certainly, I had anticipated having many  
13      more conversations with your clients and their  
14      representatives, and that these things would have been  
15      dealt with in that context.

16                   And clearly, had anyone contacted me, I  
17      would have ensured that I would have been more timely  
18      in my response.

19                   Q. Just one more question, my  
20      understanding from reading this document is that  
21      Ontario Hydro was going to produce its own minutes of  
22      the meeting and forward them to NAPA; is that your  
23      recollection?

24                   A. It was my understanding that we were  
25      going to jointly create a shared understanding and

1 shared minutes, and that, in fact, when these were  
2 produced this then became the minutes, and it did not  
3 seem that we wanted to at that point, with no draft on  
4 it or whatever, get into a debate about what was  
5 exactly said and who said what.

6 So it was my understanding that your  
7 clients were going to follow up after this meeting and  
8 contact us in terms of how they would like to be  
9 further involved, and to my knowledge, although that's  
10 not my role, because as I said, I was involved with the  
11 panel, I do not believe that has happened.

12 Q. So, it's not your understanding then  
13 that Ontario Hydro was going to produce minutes of this  
14 meeting?

15 A. Not at this time.

16 Q. That's not your recollection and you  
17 were there?

18 A. I said I was there and we  
19 discussed -- and it was very brief and it was after the  
20 meeting, and yes, your clients talked about doing some  
21 minutes, we said we were taking our notes. It was my  
22 understanding that we would get together and share  
23 drafts and produce it. That did not occur.

24 MR. COLBORNE: That's are my questions.  
25 Thank you, panel.

1 THE CHAIRMAN: Thank you, Mr. Colborne.

2 MS. KLEER: Excuse me, Mr. Registrar,  
3 have you received a package of materials yet from Ms.  
4 Simonetta?

5 THE REGISTRAR: No.

6 MS. KLEER: Excuse me, she has got them  
7 in the other room and I will have to get them, pardon  
8 me.

9 THE CHAIRMAN: No rush.  
10 ---Off the record.

11 MS. KLEER: We have them now.

12 While the Board is getting ready, good  
13 day everyone. I don't know if everyone knows who I am,  
14 so I will introduce myself. I am Nancy Kleer and I  
15 represent Moose River/James Bay Coalition,  
16 Nishnawbe-Aski Nation, Grand Council #3, Teme-Augama  
17 Anishnabai.

18 CROSS-EXAMINATION BY MS. KLEER:

19 Q. I would like to begin the  
20 cross-examination dealing with the area of public  
21 consultation, and I will follow that with fairly  
22 diffuse references to some of the matters that have  
23 been raised by other cross-examiners.

24 I would like then to start by looking at  
25 Interrogatory 11.10.26, which is at the top of the

1 Board's package.

2 THE CHAIRMAN: No.?

3 THE REGISTRAR: 11.10.26 is .48.

4 THE CHAIRMAN: Thank you.

5 ---EXHIBIT NO. 683.48: Interrogatory No. 11.10.26.

6 MS. KLEER: Q. I think I should direct  
7 these questions to you, Dr. Tennyson.

8 Now in this interrogatory response you  
9 indicated that Ontario Hydro did gather information on  
10 the public consultation programs when you were  
11 designing your own public consultation program, and you  
12 referred to an April 1989 report entitled: Public  
13 Consultation State-of-the-Art Review.

14 Now, given the date of that April 1989  
15 report and the fact that Ontario Hydro's public  
16 consultation began well in advance of April '89, would  
17 you agree that the results of the April '89 report were  
18 not incorporated in your design process; is that  
19 correct?

20 DR. TENNYSON: A. I couldn't say that.  
21 As stated in the interrogatory response, contacts were  
22 made with other utilities and were instrumental in the  
23 design of the program. That's as far as I could take  
24 it.

25 Q. But this report, being dated April

1 '89, could not possibly have been used, that's all I am  
2 getting at; is that correct?

3 A. I can't answer that.

4 Q. Do you know why this particular 1989  
5 work was commissioned for Ontario Hydro?

6 A. No, I do not. Obviously we wanted  
7 information on other utility's consultation activities.  
8 I note that it says this is Phase 2, I can only suggest  
9 that this kind of information in whatever form was  
10 instrumental in the design. This is just the  
11 documentation of it.

12 Q. Would you know, Dr. Tennyson, whether  
13 there has been follow up within Ontario Hydro to this  
14 report that may have resulted in specific changes to  
15 its consultation with Aboriginal communities?

16 A. Not to my knowledge. But in fact, in  
17 terms of design and consultation both corporately and  
18 project specifically with Aboriginal peoples, we are  
19 consulting with Aboriginal people themselves on how to  
20 undertake that.

21 Q. All right, I would like to explore  
22 some of the information recorded in this memorandum,  
23 and first I would like to look at the issue of  
24 tailoring of programs.

25 If you turn to page 1 of the memorandum



1       dated April 27, 1989, which is prepared by RSMI to  
2       David Abbott of Ontario Hydro, according to this memo  
3       they asked four main questions of the various groups  
4       that they interviewed, and the third of them was: Do  
5       you tailor-make your programs to address specific  
6       public groups, example, ethnic minorities, seniors, et  
7       cetera.

8                       I would like to turn then to the next  
9       page of the memo, and would you just agree with me that  
10      the memorandum indicates that responses reveal that  
11      tailoring of techniques is done on an as-required  
12      basis? That's what the report says, right, Dr.  
13      Tennyson?

14                     A. That's what the report says.

15                     Q. I would like to look at the  
16      Consolidated Edison results that are in this  
17      memorandum, and they are not numbered by pages, however  
18      it's done alphabetically. And I would like to look at  
19      the response to question No. 3 under tailoring,  
20      Consolidated Edison indicated that they did it when  
21      necessary, for example, depending on the proposed  
22      location of a substation they do tailor their program  
23      for Blacks or Hispanics, et cetera, through the help of  
24      consultants.

25                     You would agree with me, Dr. Tennyson,

1 that Ontario Hydro didn't use outside consultants to  
2 tailor their public consultation program for the DSP in  
3 relation to Aboriginal communities; is that correct?

4 A. No, I don't think that's correct.

5 Q. Did you use outside consultants to  
6 produce the design for the public consultation program  
7 for the DSOS and DSPS portion of your public  
8 consultation?

9 A. What I am suggesting is, it's on the  
10 record, there have been various studies done over the  
11 last 10 years in Hydro looking at their consultation  
12 and particularly their consultation with Aboriginal  
13 people, and in fact, Aboriginal people were involved in  
14 that.

15 So, in terms of our design for all of our  
16 activities since then, we have attempted to involve the  
17 Aboriginal communities.

18 Q. I am more particularly concerned with  
19 the DSOS and the DSPS studies that preceded the DSP  
20 being prepared. Were those particular consultation  
21 programs, the provincial organization consultation, the  
22 regional meeting consultation programs, the utility  
23 consultation programs, were they designed using outside  
24 consultants with respect particularly to getting  
25 Aboriginal participation?

1                   A. All I can comment on is what I know,  
2                   and certainly in terms of the institute for  
3                   environmental research, that's an outside consultant,  
4                   and they were looking at our consultation with  
5                   Aboriginal people during that period, so I think in  
6                   answer to your question, yes, we did use outside  
7                   consultants.

8                   Q. But is it not correct, I'm not  
9                   exactly sure of that, but isn't the Institute of  
10                  Environmental Research Study that you are referring to,  
11                  isn't that a 1989 report?

12                 A. Yes.

13                 Q. All right. So you couldn't have used  
14                  it for designing your DSOS and DSPS studies because  
15                  they were done before that.

16                 A. But I am saying that during that same  
17                  period we were looking at that, but there is an '83  
18                  exhibit that you have in your materials that talks  
19                  about it, and once again that was -- okay, it may not  
20                  have been consultants, but it was an outside group that  
21                  looked at it. So that was in '83.

22                 I am just trying to show that over this  
23                  period of time, in fact in terms of the DSOS and DSPS,  
24                  Aboriginal organizations were contacted.

25                 Q. I appreciate that. What I am really

1 concerned about, though, is the design of your program.  
2 I know that you went out there and you contacted them  
3 but the question is design.

4 A. I guess what I believe fundamentally  
5 and what I have said in terms of our consultation is  
6 that we do it in concert with Aboriginal people, and  
7 that's how. If you ask how you want to be consulted,  
8 to me that is how you design and you design  
9 appropriately.

10 Q. When you designed the regional  
11 consultation program, when Ontario Hydro designed that  
12 program, did they consult with Aboriginal communities  
13 to find out whether that was an appropriate way to  
14 consult with them?

15 A. To my knowledge there was  
16 consultation, yes.

17 Q. What kind of consultation?

18 A. I cannot be more specific than that,  
19 other than what has been prepared and what I have said.  
20 We have had meetings, we have had input throughout.  
21 That's the best of my knowledge on the topic.

22 Q. So just to be clear then, you are  
23 saying that the Aboriginal communities agreed that your  
24 regional consultation program going to various  
25 communities in the North and in the South was

1       satisfactory for them?

2                   A. We went to Moose Factory, we asked  
3       for other meetings, we held other meetings, as you are  
4       aware.

5                   Q. I am concerned about the regional  
6       consultation program that took place before the DSP. I  
7       know you went to Moose Factory as an information centre  
8       but you didn't go to Moose Factory during your regional  
9       consultation --

10                  A. Prior to the DSP it was provincial,  
11       so you are talking in a different context.

12                  They were contacted, and it is in  
13       Interrogatory 6.4.9 and we talk about how, in late '85  
14       and early '86, the public and government became  
15       involved in the demand/supply option study. The next  
16       paragraph talks about over 100 organizations were  
17       invited. Aboriginal interests invited were the  
18       Association of Iroquois and Allied Indians, Grand  
19       Council Treaty #3, Nishnawbe-Aski Nation, Ontario Metis  
20       and Non-Status Indian Association, and the Union of  
21       Ontario Indians.

22                  So I will argue that at a plan level in  
23       terms of over this time, we contacted provincial  
24       groups.

25                  Q. All right. But I am talking about



1 regional groups. Not even groups, regional -- just  
2 communities.

3 I will repeat my question again. Are you  
4 saying that for regional meetings that were part of the  
5 regional consultation program, that was part of your  
6 DSOS and DSPS studies preceding the DSP, that the  
7 Aboriginal community said, "It's fine, don't come up to  
8 Moose Factory. It's fine, we don't you to go west of  
9 Atikokan." You never talked to the communities about  
10 that, did you?

11 A. It's my understanding that meetings,  
12 you are talking about regional meetings were held in  
13 Hydro's six regions across the province and invitations  
14 were sent by community leaders, as you are aware. And  
15 what we have said in the response to the interrogatory,  
16 meetings were held in the following communities:  
17 Sarnia, Chatham, London, Hamilton, Port Hope, Kingston,  
18 Winchester, Alliston, Bracebridge, North Bay, Sudbury  
19 Timmins and Atikokan. And that a representative of the  
20 Native Friendship Centre attended the Atikokan meeting  
21 and the Moose Factory Band Council had a representative  
22 at the Timmins meeting.

23 Q. You didn't go to any Grand Council  
24 Treaty #3 accessible communities, did you, in your  
25 regional meetings?

1                   A. You could say that, yes, I agree with  
2     you.

3                   Q. And all of the Mushkegowuk Tribal  
4     Council people would have had to come to one regional  
5     meeting in, I believe it was, North Bay, I am not  
6     certain which one, but there was only one meeting at  
7     which people from the northeastern or Aboriginal people  
8     from the northeastern part of the province were invited  
9     to; is that correct?

10                  A. Not to my knowledge. There were  
11     invitations sent out, I am sure. As I say, that was a  
12     regionally-based program that the community leaders  
13     invited people to attend. Who they invited, I can only  
14     say that some Aboriginal people did attend, so  
15     therefore they were invited.

16                  In terms of the North, North Bay, Sudbury  
17     Timmins and Atikokan were the northern centres.

18                  Q. All right. I would like to look at a  
19     little bit about --

20                  THE CHAIRMAN: You were reading from an  
21     interrogatory, what number is that?

22                  DR. TENNYSON: Did I get these right?  
23     The response number I have is 6.4.9.

24                  THE CHAIRMAN: It contains a document,  
25     does it?

1 DR. TENNYSON: It describes, what it does  
2 is it describes the consultation that occurred between  
3 '85 and -- well, '87.

4 THE CHAIRMAN: Is that interrogatory  
5 marked? 6.4.9.

6 MS. KLEER: Actually, it might help the  
7 Board. I believe that's the same response as 7.10.145,  
8 which was in your package.

9 DR. TENNYSON: Except I believe that 145  
10 goes beyond. Does it not talk about more recent  
11 activities?

12 MS. KLEER: Yes.

13 DR. TENNYSON: So yes, they are similar  
14 to that point. So the information is there.

15 I think the information, a lot of it is  
16 contained in our Exhibit 535.

17 THE CHAIRMAN: So you are saying that  
18 7.10.145 covers what is in 6.4.9; is that right?

19 MS. KLEER: Yes.

20 THE CHAIRMAN: It's already been marked  
21 in.

22 MS. KLEER: We haven't yet marked it. I  
23 was going to get to it later, but we could mark it now.

24 THE CHAIRMAN: Why don't we make it now  
25 then we won't lose track of it.

1 THE CHAIRMAN: .18, is it? It's already  
2 been marked.

3 MS. KLEER: Pardon me, it has been  
4 marked.

5 THE CHAIRMAN: It's not been marked for  
6 this panel?

7 MS. KLEER: No, it hasn't been marked for  
8 this panel. If you want to mark it for this panel,  
9 perhaps --

10 THE CHAIRMAN: Could you give another  
11 number for this panel, please.

12 THE REGISTRAR: Yes. Could you give me  
13 this interrogatory number again.

14 THE CHAIRMAN: 7.10.145.

15 THE REGISTRAR: That will be .49.

16 THE CHAIRMAN: Thank you.

17 ---EXHIBIT NO. 683.49: Interrogatory No. 7.10.145.

18 MS. KLEER: Q. I would like to go back  
19 to Interrogatory 11.10.26 and look at some of the  
20 techniques that were used by some of these  
21 organizations, and I would like to look specifically at  
22 the FEARO results. That's the Federal Environmental  
23 Assessment Review Office.

24 I am looking at item 2A under FEARO,  
25 under techniques used. Now, under 2A it says there

1       that in consulting the public about revisions to the  
2       federal environmental assessment and review process,  
3       the Federal Environmental Assessment Review Office  
4       employed the following innovations.

5               And under item A: They released a  
6       discussion paper to the public prior to meetings which  
7       took the soft approach in laying out problems with  
8       process and possible solutions.

9               Dr. Tennyson, did Ontario Hydro release a  
10      discussion paper taking the soft approach prior to its  
11      consultation in the regional meetings, first of all?

12      [12:37 p.m.]

13              THE CHAIRMAN: What do you understand  
14      "soft approach" to mean?

15              MS. KLEER: Q. Well, perhaps I can ask  
16      Dr. Tennyson what she understands "soft approach" to  
17      mean.

18              DR. TENNYSON: A. I have no idea.

19              Q. That's not a term you are familiar  
20      with in public consultation parlance?

21              A. I'm not familiar with it.

22              Q. Is anyone on the panel familiar with  
23      it?

24              You are not a public consultation expert  
25      are you, Dr. Tennyson?



1                   A. That's correct.

2                   Q. Well, if you can take it from me for  
3 the moment, just accept my definition, a soft approach  
4 is one which does not tell you what the answers are and  
5 leaves very open-ended questions for the purposes of  
6 fostering discussion, accepting that for the moment as  
7 the definition of soft approach in public consultation.  
8 You look puzzled, Dr. Tennyson.

9                   A. Well, it just strikes me, in terms of  
10 the work I have done, that there must be some  
11 methodological or substantive notions to it. I mean,  
12 that sounds like you are doing questionnaire design or  
13 having anything like an opened-ended approach. It's  
14 just I don't think that term is very helpful. I will  
15 take your definition.

16                   Q. All right. Taking that definition  
17 then, in the regional meetings, the regional  
18 consultation meetings was the soft approach used?

19                   A. Okay. Your soft approach again  
20 has --

21                   Q. Open-ended questions for the purposes  
22 of fostering discussion. That's one aspect of it.

23                   A. Okay.

24                   Q. And in this case I'm asking  
25 particularly in relation to discussion papers that were

1 released for the regional meetings.

2 A. Okay. If you look at - is it exhibit  
3 63 - that exhibit discusses the regional consultation  
4 program, and on page 3 it says that:

5 At the beginning of each meeting  
6 Ontario Hydro staff presented information  
7 about the need to plan for future energy  
8 needs and the necessity of obtaining  
9 public advice about the concerns and  
10 values Hydro should consider.

11 So I would consider a presentation to be  
12 perhaps Hydro's soft approach to introducing these  
13 topics and generating an open discussion.

14 Q. But they didn't release a discussion  
15 paper beforehand that people had time to consider?

16 A. Not to my knowledge. I think if you  
17 want to -- I think this describes what happened and I  
18 don't see any mention of one.

19 MS. PATTERSON: Ms. Kleer, is there  
20 anywhere in this document where it evaluates the  
21 effectiveness of these various programs or are we just  
22 checking to see whether Hydro has followed all of these  
23 various methods which may or may not be effective?

24 MS. KLEER: No, there's nothing in here  
25 that talks about their effectiveness. I believe that

1 we are going to have to wait until our public  
2 consultation expert appears before you.

3 MR. SNELSON: Ms. Kleer, I was at many of  
4 these meetings and I can tell you, based on personal  
5 experience, that the stance that was taken by Ontario  
6 Hydro and the senior executives who were at these  
7 meetings on a consistent basis was that we were there  
8 to listen to what people had to say and not to sell any  
9 particular point of view. The meeting discussions were  
10 open, very open and very frank. I certainly didn't  
11 feel that people were constrained, felt at all  
12 constrained, about the subject matter that they were to  
13 deal with.

14 Q. Perhaps others have different  
15 impressions of that, but we will have to deal with  
16 that.

17 I would like to look at the next  
18 interrogatory in the package, 11.10.59.

19 THE REGISTRAR: 11.10.59 is .50.  
20 ---EXHIBIT NO. 638.50: Interrogatory No. 11.10.59.

21 MS. KLEER: Q. Now, in this question we  
22 asked to:

23 Please indicate which Aboriginal  
24 communities were included in the public  
25 feedback program for the DSP, please

1 provide copies of all documentation  
2 indicating the responses of Aboriginal  
3 communities to the DSP and to the public  
4 feedback program, and please provide  
5 details as to how the feedback from  
6 Aboriginal communities is to be  
7 incorporated into the DSP.

8 Now, in this response you refer to  
9 letters that were sent to First Nations Chiefs at the  
10 beginning of the public feedback program, and all had  
11 the opportunity to attend an information centre.

12 Just on that first point, when you say  
13 they had the opportunity to attend an information  
14 centre, what do you mean by that? That means they were  
15 invited?

16 DR. TENNYSON: A. That's correct.

17 Q. That doesn't necessarily mean they  
18 physically had the opportunity to attend it; correct?

19 A. That's correct.

20 Q. Now, if we look at the letter, which  
21 is one of the sample letters which is at the back of  
22 the interrogatory that I provided to the Board, I would  
23 just like to look briefly at the third paragraph. This  
24 was a letter sent by Norm Simon to Chief Naveau, and it  
25 says there:

1                   Our forecasts indicate that in 25  
2                   years Ontario will be using up to twice  
3                   as much electricity as today, a quarter  
4                   of today's generators will be worn out.  
5                   If no action is taken, Ontario's demand  
6                   for electricity will soon outstrip  
7                   Hydro's ability to supply it from  
8                   existing facilities.

9                   Now, would you agree with me that that  
10                  kind of a paragraph would put someone off or would tend  
11                  to limit their critical analysis because they are being  
12                  told that if they disagree with this plan, I'm sorry,  
13                  the lights are going to go out.

14                 A. I believe that paragraph is stating  
15                  what we believed at the time, what Hydro believed.

16                 Q. Would you grow that the paragraph  
17                  didn't suggest anything at all about the fact that  
18                  Ontario Hydro's forecasts are subject to a great deal  
19                  of uncertainty?

20                 A. All I can point out is that that  
21                  paragraph does not contain that statement, you are  
22                  right.

23                 Q. And if it had, might that not have  
24                  indicated that perhaps forecasts are also in question,  
25                  and the reliability of Ontario Hydro forecasts?



1                   A. Well, I don't think the letter was  
2           intended to discuss the whole demand/supply planning  
3           process. I mean, that is what we are going into here  
4           in terms of forecasting and loads and things. This is  
5           a letter of invitation that's trying to state what we  
6           believe the circumstances were like, and in fact  
7           perhaps indicating the importance of people coming out  
8           to participate because it's in everyone's interest in  
9           the province.

10                   Q. Given the brief description of soft  
11           approach that I gave you earlier, would you agree that  
12           that kind of paragraph doesn't constitute taking a soft  
13           approach to consultation?

14                   A. This letter accompanied the plan. It  
15           was an invitation to come out to a centre. I think  
16           that it was the first step. That letter does not  
17           represent Hydro's one approach to consultation.

18                   Q. That's not what I'm asking you.

19                   A. It's an invitation.

20                   Q. Does this particular letter, the way  
21           in which it's formulated, constitute taking a soft  
22           approach?

23                   THE CHAIRMAN: I think you should look to  
24           the paragraph following and read those two paragraphs  
25           together before you ask that question.

1                   In fact, the whole letter really has to  
2   be considered in the context. I don't think you can  
3   take one paragraph out and say it represents a certain  
4   approach or one approach or another; it should be based  
5   on the whole letter. So you can ask it in that  
6   context.

7                   MS. KLEER: Q. Based upon the whole  
8   letter, does it constitute taking the soft approach?

9                   DR. TENNYSON: A. How you defined a soft  
10   approach was providing a discussion paper and wanting  
11   some dialogue in terms of open-ended discussion, and I  
12   think that this, with the Demand/Supply Plan and  
13   invitation that leads to it, it would be considered a  
14   soft approach.

15                  Q. All right. If we turn back to the  
16   FEARO techniques that are in 11.10.26, I'm still on the  
17   same page, and it says there under item 2(d) that they  
18   allowed time at beginning of each meeting for  
19   participants to determine their own agenda.

20                  Now, perhaps you don't know this, and I  
21   have looked at regional consultation reports as well,  
22   but do you know whether or not at the beginning of the  
23   regional meetings the agenda was pre-determined or  
24   whether the participants could determine the agenda?

25                  MR. SNELSON: A. It was very open-ended,

1 and as you recall, we deliberately used people from the  
2 communities as the convenors of the meeting and the  
3 chairman of the meeting, and we didn't specify the  
4 agenda. The agenda was what the people wanted to talk  
5 about. And as I have said before, we went to listen  
6 and we did that.

7 Q. All right. I would like to go on in  
8 11.10.26 and look under Green Mountain Power  
9 Corporation which is just a few pages following FEARO,  
10 and under item 1, broad plans, they noted that other  
11 Vermont -- and I'm looking at last point under item 1:

12 They noted that other Vermont  
13 utilities actually permitted outside  
14 environmental and other public groups to  
15 control the formulation of their broad  
16 plans.

17 You would agree, Dr. Tennyson, that  
18 Ontario Hydro didn't allow such control in the  
19 formulation of its DSP; is that correct?

20 DR. TENNYSON: A. Quite frankly, I don't  
21 know what they mean by "control". So I really  
22 couldn't...

23 Q. What does "control" normally mean to  
24 you, Dr. Tennyson?

25 A. I don't know what "control" means to

1 the Green Mountain Power Corporation.

2 Q. Using your definition of control,  
3 would you agree that Ontario Hydro didn't allow such  
4 control in the formulation of its plan?

5 A. My definition of control meaning that  
6 someone other than Ontario Hydro are the  
7 decision-makers, would mean, no, we did not.

8 Q. Now, I would like to turn further in  
9 this interrogatory to Metropolitan Toronto Planning,  
10 under item 4 where they refer to successes and  
11 failures. And they indicated that under point 3 there  
12 that they have to employ a mixed strategy and go after  
13 people on a one-to-one basis.

14 Would you agree that going after people  
15 on a one-to-one basis may be necessary if you haven't  
16 gotten their participation simply by invitation?

17 A. Ontario Hydro, in its consultation  
18 activities, uses a variety of approaches. And as I  
19 discussed in terms of my direct evidence, we will take  
20 an example of the public feedback program. There were  
21 the 70 information centres, there were thousands of  
22 letters sent out, 8,000 were on a mailing list,  
23 invitations went out in utility bills, so that is one  
24 form.

25 I also indicated that there were 335

1 presentations to provincially-based organizations. The  
2 Region's Branch, who are throughout the province as you  
3 are aware, made 770 presentations to a total audience  
4 of 25,000. There were, as I indicated, 1.5 million  
5 municipal utility bill inserts, and there 850,000  
6 Ontario Hydro bill inserts.

7 There were also public communications  
8 activities. There were 420 speakers bureau  
9 presentations to a total audience of 21,000. There  
10 were 6,900 telephone calls to our 800 number service.

11 We had mail-back coupons, we had mini  
12 information centres, we had displays, and we also have  
13 had numerous meetings in communities which addressed  
14 broad planning issues as well as site specific and  
15 project specific.

16 So I think that what you would find is  
17 that Hydro recognizes that we have to use a variety of  
18 methods to ensure that the public is entirely informed  
19 and that we in turn hear their concerns.

20 Q. Now, in your public feedback program,  
21 you would have to agree with me that none of that fed  
22 into the DSP at all, did it? Because it happened after  
23 DSP was produced, it's simple fact.

24 A. We were talking consultation and you  
25 were asking how you go after people and I gave you an



1 example.

2 What I have talked about what is on  
3 record is that over the period from the early 80s on,  
4 Hydro was consulting, not only in terms of the option  
5 study and the strategy, but numerous projects went on,  
6 and so that public input clearly went into the  
7 Demand/Supply Plan.

8 Q. All right. Well, let's talk about  
9 what happened before the DSP was in place, before it  
10 was produced, and we have already gone through 7.10.145  
11 which was given a new number, .49, and that was all  
12 proceeding the DSP. You would agree that you got very  
13 limited involvement from Aboriginal groups in the  
14 provincial and regional consultation programs; isn't  
15 that correct?

16 A. I would say limited, yes.

17 Q. All right. Now, in light of that,  
18 and in light of the fact that you were contemplating at  
19 that point that there were going to be projects all  
20 over Ontario, and there certainly would be projects for  
21 the North, why was there not any further attempt made  
22 by Ontario Hydro to obtain consultation or to obtain  
23 input through consultation with Aboriginal communities  
24 or with Aboriginal organizations?

25 A. As it indicates in the interrogatory,

1 groups were invited to participate, some did. NAN sent  
2 representatives to meetings. Certainly as soon as the  
3 Demand/Supply Plan was produced in terms of the  
4 consultation a meeting was held with the Chiefs of  
5 Ontario. Subsequent to that there were meetings,  
6 that's where Grand Council Treaty #3 indicated its  
7 interest in the interconnection and the transmission  
8 and follow up occurred after that. That is all  
9 documented in the report, as you are aware. I think  
10 efforts were made.

11 Q. That's after the DSP.

12 A. No, I said before that they were  
13 invited, if you read and that NAN did participate.

14 Q. I appreciate that, but some of the  
15 comments that you made just now with respect to the  
16 Manitoba interconnection and the Chiefs of Ontario, I  
17 mean those are all after the DSP.

18 What I'm focussing on is what went into  
19 the DSP. You only had OMAA give a written presentation  
20 to the Select Committee, you had NAN attend, they  
21 didn't give any written submissions to the provincial  
22 organization program.

23 Only two Aboriginal people out of your  
24 whole regional consultation program attended. In light  
25 of that, didn't Ontario Hydro do any assessment to say,

1 well, look, you know, we didn't get very much  
2 participation from Aboriginal people, maybe we should  
3 go out and try something else, before the DSP was  
4 produced?

5 A. The consultation programs I'm  
6 referring to were the ones that were run prior to and  
7 what occurred occurred, I can't deny that.

8 Q. So there was no follow up after that?

9 A. Not to my knowledge.

10 Q. All right. I would like to go on to  
11 another interrogatory.

12 Perhaps the Board would like to take the  
13 break now?

14 THE CHAIRMAN: We will break until 2:30.

15 THE REGISTRAR: Please come to order.

16 This hearing will adjourn until 2:30.

17 ---Luncheon recess at 1:00 p.m.

18 ---On resuming 2:35 p.m.

19 THE REGISTRAR: Please come to order.

20 This hearing is again in session. Please be seated.

21 MS. KLEER: Q. I would like to begin by  
22 turning to Interrogatory 11.10.19 and these questions  
23 will be for you, Dr. Tennyson.

24 THE REGISTRAR: 11.10.19? That is .51.

25 ---EXHIBIT NO. 683.51: Interrogatory No. 11.10.19.

1 MS. KLEER: Q. Now, in this  
2 Interrogatory we asked the following question:

3 Did Ontario undertake any public  
4 consultation activities before the three  
5 consultation programs provincial  
6 organization, regional, and municipal  
7 utilities that began in September, 1985.

8 If yes, did any of these activities  
9 involve First Nations persons,  
10 communities, or organizations and if yes,  
11 please describe the format, extent, and  
12 input obtained during these early  
13 consultation activities with First Nation  
14 persons communities or organizations.

15 Now, you refer in here to a report that  
16 you mentioned this morning as well, the research group  
17 report that was appointed by -- the research group was  
18 appointed by the advisory committee and I would like to  
19 go through that report. But before I do that, I would  
20 like to run through a few details on it.

21 First of the all, can you confirm that  
22 Alan Roy was the member of the Public Participation  
23 Process Review Research Group, representing Union of  
24 Ontario Indians?

25 DR. TENNYSON: A. As it says in this

1 exhibit, it has near the back, members of the Public  
2 Participation Research Group, and I see Alan Roy's  
3 signature representing the Union of Ontario Indians.

4 Q. As well, you will note there that  
5 Robert Hay, from the Ontario Municipal Electrical  
6 Association, was also a member of the research group?

7 A. That is correct.

8 Q. All right, and can you confirm for  
9 the Board, you may not know this, but is Alan Roy a  
10 member of the Environmental Assessment Board of  
11 Ontario?

12 A. I don't know.

13 Q. Does anyone on the panel know that?

14 THE CHAIRMAN: We can take judicial  
15 notice that Alan Roy is indeed a member of the  
16 Environmental Assessment Board.

17 MS. KLEER: Thank you. I would like to  
18 go into this report in a little bit of detail and to  
19 that end I have produced --

20 THE CHAIRMAN: I assume it is the same  
21 Alan Roy.

22 MS. KLEER: It is the same Alan Roy. I  
23 can take notice of that and advise you of that.

24 I would like now to introduce as the  
25 exhibit numbers excerpts from this document as well as



1 some related correspondence, and the title of that is,  
2 Public Involvement Procedures of Ontario Hydro, A  
3 Provincial Overview. If we can have the next exhibit  
4 number for that? And that's dated June 1983. It has  
5 a document precis cover with it.

6 THE REGISTRAR: Exhibit No. 713.

7 ---EXHIBIT NO. 713: Document entitled: Public  
8 Involvement Procedures of Ontario Hydro,  
A Provincial Overview, dated June 1983.

9 MS. KLEER: Now, in this set of excerpts  
10 I have also included some of the correspondence  
11 relating to the report and I would like first to look  
12 at the letter of December 7, 1983 from Milan Nastich,  
13 I'm not sure I have pronounced that correctly.

14 MR. B. CAMPBELL: Milan Nastich, if it  
15 matters.

16 MS. KLEER: Thank you. From Ontario  
17 Hydro to the Chairman of the Public Participation  
18 Advisory Committee, Mr. Craig. Can you confirm or can  
19 you note, Dr. Tennyson, whether or not, on the basis of  
20 that letter, this report was considered to be an  
21 important one by Ontario Hydro?

22 Do you have the letter, Dr. Tennyson?

23 DR. TENNYSON: A. Which letter?

24 Q. It's dated December 7, 1983. It  
25 should be at the top.

1 A. Pardon me.

2 Q. It should be at the top of the  
3 exhibit.

4 A. Well, as is stated in the letter  
5 obviously the Chairman indicated that the report  
6 resulting from this study is a major achievement and a  
7 of the milestone in public involvement evaluation.

8 Q. All right. Going on then to the next  
9 letter of June 8, 1984. I'm looking at -- I think it's  
10 the fourth paragraph but let me just confirm that for a  
11 moment.

12 Pardon me, I'm looking at the third  
13 paragraph there and I just want to note for the record  
14 that it states that:

15 I do not wish to leave the impression  
16 though that the report has in any way  
17 created irreconcilable differences.  
18 There is agreement throughout the  
19 company that public participation is  
20 necessary and valuable, however, your  
21 report has brought home the fact that we  
22 are not only talking about public  
23 participation as an activity but that  
24 greater consideration need be given as to  
25 the way it is carried out.

1       You can confirm that the letter says that; is that  
2       correct?

3                   A. Yes, the letter says that.

4                   Q. All right. Just going on in that  
5       letter, would you also confirm this it indicates that  
6       they expect to have a response that is, Ontario Hydro  
7       expected to respond to the report sometime by the end  
8       of the year, this letter being 1984?

9                   And that's in the second paragraph on the  
10      second page, the last sentence?

11                  A. The paragraph seems to indicate that  
12      there would be consultation with members of the  
13      committee with an aim to develop processes, and that  
14      there was a target date for presenting a proposal as  
15      the end of that year; is that what you are referring  
16      to?

17                  Q. Yes, yes. Would you happen to know,  
18      Dr. Tennyson, whether or not a proposal, as evidenced  
19      by this letter, was forthcoming from Ontario Hydro?

20                  A. I don't know. Perhaps some other  
21      panel member has some -- I don't know the answer to  
22      that.

23                  Q. This is a matter of some importance  
24      to us. Would it be possible to undertake to find out  
25      and if so, to provide us with a copy of that proposal?

1 A. Certainly.

2 Q. I believe we will need an undertaking  
3 number for that.

4 THE CHAIRMAN: What was this that Mr.  
5 Nastich said that he was going to do? Can you find  
6 that for me in the letter?

7 MS. KLEER: Well, in response to the  
8 report which made a number of recommendations which we  
9 will be going to later, Mr. Nastich indicated that they  
10 were going to provide a proposal --

11 THE CHAIRMAN: Where is that said? That  
12 is what I am trying to find.

13 MS. KLEER: Second page, second  
14 paragraph, last sentence. They indicate there that  
15 there is a target date there for presenting the  
16 proposal. And the proposal obviously refers to the  
17 prior sentences in that paragraph.

18 THE CHAIRMAN: You are suggesting that  
19 that letter says there is going to be a direct  
20 communication back to this committee; is that what you  
21 are saying?

22 MS. KLEER: Well, yes. If you actually  
23 go on in the letter you will note that he says:

24 While I realize that considerable time  
25 has elapsed since the completion of your

1 report I am sure that you understand the  
2 complexities of the subject and ask for  
3 the indulgence of your committee.

4 THE CHAIRMAN: Okay, so you want to find  
5 out whether or not there was a response?

6 MS. KLEER: Yes. That's what I am  
7 looking for.

8 THE CHAIRMAN: Undertaking?

9 THE REGISTRAR: .29.

10 THE CHAIRMAN: Thank you.

11 MR. B. CAMPBELL: Mr. Chairman, I am not  
12 familiar with all of the details about this but it is  
13 not clear to me even with the second last paragraph  
14 that there is any undertaking here to provide a  
15 response to the committee. I think, as I read it, the  
16 proposal had to do with increasing opportunities for  
17 public interest groups and other interested parties to  
18 introduce their views and concerns on corporate  
19 matters.

20 THE CHAIRMAN: Well, I am inclined to  
21 agree with you that it is not entirely crystal clear,  
22 but if there was a response then that can be produced.  
23 It's eight years ago so it's not surprising that people  
24 wouldn't remember.

25



1       ---UNDERTAKING NO. 684.29: Ontario Hydro undertakes to  
2                               provide whether there was a response, in  
3                               the form of a proposal, to Mr. Nastich's  
                              letter of June 8, 1984.

4                       MS. KLEER: Q. Now, you indicated I  
5       believe, Dr. Tennyson, in your response in this morning  
6       to several questions that this report among others that  
7       were produced in the 80s was actually referred to when  
8       the public consultation programs for the DSP were  
9       designed; is that correct?

10                     DR. TENNYSON: A. That's my  
11       understanding.

12                     Q. And I won't ask my next question  
13       because I know what the answer is. I would also like  
14       to refer to a letter which should be at the end of your  
15       package. And it is a letter dated September 1, 1983,  
16       from Alan Roy, to Murray Peppin.

17                     THE CHAIRMAN: Not at the end of the  
18       package, it actually just follows.

19                     MS. KLEER: Pardon me, I thought it was  
20       at the end.

21                     THE CHAIRMAN: It is right in the middle  
22       of the package.

23                     MS. KLEER: That being the one, do you  
24       have that Dr. Tennyson?

25                     DR. TENNYSON: A. You are referring to

1 the September 1, 1983, letter to Murray Peppin?

2 Q. Yes. Now would you agree with me  
3 that that letter indicates that, as per the third  
4 paragraph, UOI and the other indian associations in  
5 Ontario are interested in being involved in the design  
6 of any future public participation in areas affecting  
7 our Native communities?

8 [2:45 p.m.]

9 A. That's what the letter says.

10 Q. All right. Now, to your knowledge  
11 did Ontario Hydro directly involve UOI in designing the  
12 public participation process in relation to the DSP?

13 A. I don't know the answer to that.

14 Q. And with respect to any other  
15 Aboriginal organizations in Ontario, would you know?

16 A. As I said earlier today, in terms of  
17 the review of Aboriginal consultation, and you  
18 indicated that the report was dated later, throughout  
19 that period we were consulting with Aboriginal people  
20 and in addition in terms of studying our activities.  
21 So I can't say one way or the other if directly the  
22 Union was contacted to help design that program.

23 Q. Could you undertake to find that out?

24 A. Yes.

25 Q. Thank you. And with that undertaking

1 also the other Aboriginal organizations?

2 A. Sure.

3 THE REGISTRAR: .30.

4 ---UNDERTAKING NO. 684.30: Ontario Hydro undertakes to  
5 provide whether or not Ontario Hydro  
6 directly involved UOI or any Aboriginal  
7 organizations in designing the public  
8 participation process in relation to the  
9 DSP.

8 MS. KLEER: Thank you.

9 Q. All right, then just going a little  
10 bit further on in this Exhibit 713. I would like to  
11 turn to the major purpose statement, which is No. 7,  
12 Roman numeral 7. And I will just read that --

13 THE CHAIRMAN: I have lost you. Where  
14 are you now?

15 MS. KLEER: It should be following the  
16 letter from Mr. Roy, I believe.

17 THE CHAIRMAN: I have following the  
18 letter from Mr. Roy a Hydro document called Review of  
19 Ontario Hydro's Draft Plan Strategy, July '88. That's  
20 in my package.

21 MS. KLEER: This is Exhibit 713?

22 THE CHAIRMAN: I have just got the  
23 package.

24 MS. KLEER: It should be about the fifth  
25 page in to Exhibit 713.

1 THE CHAIRMAN: All right. What are we  
2 looking at, page 7, is it?

3 MS. KLEER: Yes. It's headed Major  
4 Purpose Statement.

5 Q. I will just read the major purpose  
6 statement:

7 The purpose of public participation is  
8 to make it possible to involve directly  
9 or indirectly those people who are  
10 willing to, or should participate in the  
11 planning process, to provide informed  
12 input which will permit Ontario Hydro to  
13 pursue a course of action which reflects  
14 in a democratic manner, the values,  
15 knowledge, experience and best judgments  
16 of the participants at the time.

17 Within the context of the ultimate  
18 decision-making authority resting with  
19 the Government of Ontario, Ontario Hydro  
20 should adopt joint planning processes  
21 whereby real decision-making authority is  
22 shared with, and in some cases left to,  
23 the initiative of citizen  
24 representatives.

25 Now, can you confirm for me, Dr.

1 Tennyson, that as per the terms of reference which are  
2 at the end of this document, page B-2, that Ontario  
3 Hydro requested the research group to formally define  
4 the purpose of public participation as per item 2 of  
5 their terms of reference?

6 DR. TENNYSON: A. Yes, No. 2 does say  
7 that the research group will formally define the  
8 purpose of public participation.

9 Q. Now, can you confirm for me that  
10 Ontario Hydro did not adopt this major purpose  
11 statement for its public participation program that it  
12 designed to get to the DSP?

13 A. No, I cannot.

14 Q. Do you know whether Ontario Hydro had  
15 a major purpose statement that it developed for the  
16 public participation process for the DSP?

17 A. I do not know if we had a formal  
18 statement.

19 Certainly there would have been goals and  
20 objectives of the program because that's how we design  
21 public participation programs.

22 Q. Perhaps you could, I apologize for  
23 doing this, but perhaps could you undertake to provide  
24 me with -- I would like it in the form of a written  
25 document that Ontario Hydro actually used to guide its



1 public participation program for the DSOS and DSPS  
2 studies. Now it may be that no such document exists,  
3 if that's the case, then we should be informed of that  
4 as well.

5 Could we have an undertaking number for  
6 that?

7 THE REGISTRAR: .31.

8 ---UNDERTAKING NO. 684.31: Ontario Hydro undertakes to  
9 provide a written document that Ontario  
10 Hydro actually used to guide its public  
11 participation program for the DSOS and  
12 DSPS studies; and inform Ms. Kleer should  
13 there be no such document in existence.

14 MS. KLEER: Q. I don't think this has to  
15 be a made a formal undertaking, but if you go to page  
16 1-3 of this exhibit, there are several footnotes there  
17 of reports. We don't have copies of those and I wonder  
18 if we could just arrange to get copies of the reports  
19 referred to in footnotes, 3, 4 and 6, at page 1-3?

20 THE CHAIRMAN: 3, 4 and 6?

21 MS. KLEER: Yes.

22 DR. TENNYSON: I am sorry, what is it?

23 MS. KLEER: Q. We are looking to obtain  
24 copies of those for our expert, just a matter --

25 DR. TENNYSON: A. Which ones, I'm sorry?

Q. Footnotes 3, 4 and 6 on page 1-3.

There is no rush on this.

1 A. You want copies of those?

2 Q. Yes, please.

3 Now, turning on to --

4 MR. B. CAMPBELL: Mr. Chairman, if we are  
5 not getting a formal undertaking on that -- one of  
6 those for instance typically would look like the kind  
7 of thing that might be a filing memo, it doesn't seem  
8 to have a formal report memo. If it requires any  
9 significant effort to find it then I do not want to  
10 embark on long searches into the archives at Kipling to  
11 try and turn up a copy. Subject to that kind of  
12 difficulty, we are prepared to attempt to locate these  
13 documents.

14 MS. KLEER: I am content with that. I  
15 don't want to put to you any undue effort.

16 THE CHAIRMAN: Is this not the whole  
17 document here, it is just excerpts?

18 MS. KLEER: These are excerpts from the  
19 document. The document itself is quite large, if you  
20 want us to provide a copy.

21 THE CHAIRMAN: I just wanted to be sure.

22 MS. KLEER: Q. I would like to turn to  
23 page 3-3, which contains some of the findings of the  
24 research group. I would like to look first at their  
25 findings with respect to load forecasting which is

1 starting at page 3-3. And then I would like to look  
2 particularly at the top of page 3-4, and the first full  
3 paragraph where it says:

4 Based on the difficulties with the  
5 accuracy of long-term load forecasts one  
6 way suggested by the research group to  
7 improve the -- it says local but I  
8 presume it means load forecast -- is to  
9 introduce the public participation  
10 process at an earlier stage, this will  
11 provide additional and diverse  
12 information for establishing future  
13 needs.

14 Now, perhaps this question should be for  
15 Mr. Snelson or Mr. Shalaby. Would you agree that this  
16 suggestion with respect to load forecasting was not  
17 followed by Ontario Hydro in the development of its  
18 long-term forecast that formed the basis of the DSP?

19 MR. SNELSON: A. The only comment I  
20 would make in that respect is that there is an external  
21 load forecast advisory committee which is consulted and  
22 provides views on load forecasting that are independent  
23 of those of Ontario Hydro, and that's done in the  
24 preparation of the forecast, and I believe Mr. Burke  
25 and Mr. Rothman have talked about that.

1 Q. Yes, do I recall that. But other  
2 than that there was no sort of more broadly based  
3 public group?

4 A. Not to my knowledge.

5 Q. Turning then to the next page in the  
6 excerpts in Exhibit 713, which is Section 8.1,  
7 conclusions arising from the report. Actually, if we  
8 can turn, just going on in there to page 8-4. I would  
9 like to look at the second paragraph that begins -- and  
10 this is in relation to load forecasting:

11 The problem with suggesting public  
12 involvement at such a general stage is  
13 the inability to devise techniques and  
14 the fact that public involvement at this  
15 level complicates technical calculations  
16 by forcing consideration of competing  
17 values.

18 In this instance the techniques for  
19 public involvement differ substantially  
20 from latter stages dealing with the  
21 location of specific facilities. At the  
22 general level of need the public  
23 involvement techniques suggested reflect  
24 an opening up of the need for discussion  
25 to public groups rather than specific

1 committees. Public forums and hearings  
2 are also valuable in getting input. The  
3 goal is to expose the load forecasting  
4 group to as much diverse input as  
5 possible.

6 Just stopping there for a moment. Would  
7 you agree that the external group that you referred to,  
8 Mr. Snelson, does not allow for diverse input as these  
9 people recommended, should be done for the load  
10 forecasting?

11 A. I believe there is a diversity of  
12 views on that load forecasting group but the specifics  
13 of it I couldn't talk to.

14 Q. Do you agree that forecasters should  
15 be as indicated in this recommendation forced to  
16 consider competing values in their forecasts?

17 A. I really don't know the context that  
18 they are talking about in this report so it's hard to  
19 comment on. I wouldn't know whether they are talking  
20 here about what is effectively the basic load forecast  
21 or whether they are talking about what is effectively  
22 the primary load forecast after taking into account  
23 demand management opportunities, which clearly is an  
24 area where competing values have a significant impact.  
25 So I really don't know the context of this report to be



1       able to comment on it.

2                   Q.   Would you agree that Ontario Hydro  
3       did not involve any public groups, for instance,  
4       environmental groups, or Aboriginal organizations, in  
5       examining the assumptions in their basic load forecast  
6       that was produced for the DSP?

7                   MR. B. CAMPBELL:   Just a minute.   Mr.  
8       Chairman, this matter was spoken to by Panel 1, the  
9       make up of the external advisory committee and that  
10      process was testified to by both Mr. Burke and Mr.  
11      Rothman.  I believe this has all been covered and I  
12      think Mr. Snelson has been quite frank that he is not  
13      in a position to discuss the specifics.  This matter  
14      has been described by the people who are directly  
15      involved in it.

16                  THE CHAIRMAN:  I guess the techniques  
17      employed by load forecasters was the subject of Panel  
18      1.

19                  MR. B. CAMPBELL:  Yes.  Mr. Chairman,  
20      this very group was discussed, its role, its  
21      preliminary review of assumptions, its secondary review  
22      of the results.  All of those matters have been  
23      described in the course of Panel 1.

24                  MS. KLEER:  I am content to let the  
25      question rest, I think I have got what I need.

1 Q. If I can go on to the 4 paragraph on  
2 page 8-4. This is talking about system planning.

3 Similarly, the system planning  
4 function which deals with alternatives  
5 for meeting needs, should be open to more  
6 public participation. The reasons and  
7 many of the techniques used for public  
8 involvement at the load forecasting stage  
9 are applicable to systems planning.

10 Now just stopping there, Mr. Snelson.  
11 Has the system planning function been opened up to more  
12 public participation other than this hearing? Prior to  
13 this hearing?

14 MR. SNELSON: A. Clearly the  
15 consultations in preparing the demand/supply planning  
16 strategy were open to public participation and had a  
17 significant impact on system planning.

18 Q. But other than that, other than  
19 preparing the DSPS, there was no public involvement, no  
20 direct public involvement?

21 A. I believe there is public involvement  
22 when we come to specific project proposals, too

23 Q. But not in preparation of the DSP.  
24 Once you had your DSPS and you had your public input  
25 into that, you did not have public input to prepare the

1 DSP?

2 A. We are talking about between the  
3 finalization of the DSPS and the preparations of the  
4 DSP.

5 Q. Yes.

6 A. The Plan itself?

7 Apart from our regular involvement  
8 activities throughout, I don't believe there was  
9 specific involvement in the preparation of the Plan.  
10 But there was a -- as you heard, that plan was taken  
11 out for consideration as soon as it had been produced.

12 Q. All right.

13 DR. TENNYSON: A. If I can just add to  
14 that, I think that one of the ideas that seems to be  
15 missing from the discussion is the fact that  
16 consultation just doesn't start and stop, start and  
17 stop, and you put fixed dates on them. I think that it  
18 has been, as I think the evidence clearly indicates,  
19 there has been an ongoing consultation throughout the  
20 80s and it's continuing today. So that it just doesn't  
21 stop. All of the inputs that we receive through our  
22 various consultation activities do involve all the  
23 plans and all the proposals that we put forth.

24 Q. All right, Dr. Tennyson. I am going  
25 to return to Exhibit 535 to explore that a little bit

1 with you.

2 If we can turn to 9.2, which I believe is  
3 the next page in the exhibit, under the purpose of  
4 public involvement. The research group recommended in  
5 the first paragraph of Section 9.2 that the purpose of  
6 the public involvement program with respect to any  
7 specific project be explored fully before the program  
8 commences.

9 Now, Dr. Tennyson, perhaps you can help  
10 me here. Was there in preparation for the regional  
11 meetings or at the regional meetings, was there any  
12 explicit statement made to the purposes at those  
13 regional meetings as to what the purpose of their  
14 public involvement was?

15 A. I don't know offhand, but I am  
16 certain it was. I know that in every meeting I have  
17 ever attended that is the first thing that is discussed  
18 in terms of anyone's participation. Or when they are  
19 invited to participate, the purpose of the program, the  
20 goals, et cetera, are explained.

21 [3:00 p.m.]

22 Q. If we look I presume that we could  
23 find an explicit statement of that in the exhibits that  
24 were filed in relation to regional consultation for  
25 instance?

1 A. I'm quite sure you could.

2 Q. I won't take up the Board's time, we  
3 will look at that.

4 Now turning, going on then to page 9-2,  
5 under heading 9.6, special needs, which is at the  
6 bottom of 9-2. It is stated that it is recommended  
7 that Ontario Hydro adapt to the special needs of  
8 various groups so as to provide the opportunity for  
9 these groups to participate in Ontario Hydro's public  
10 involvement programs.

11 Now, just specifically with respect again  
12 to those programs prior to finalization of the DSP,  
13 what specifically was done to adapt to the special  
14 needs of Aboriginal groups?

15 A. You are talking between the period  
16 what, '84 to --

17 Q. In the course of the provincial  
18 organization consultation program and the regional  
19 consultation program.

20 A. Well, I can only reiterate that  
21 during the provincial consultation program we did  
22 approach the groups that we have all ready discussed.  
23 They were talked to about the program and certainly  
24 what their involvement would be and were asked for  
25 their views.



1                   Similarly, we have all ready gone over  
2           the regional program that had some representation. So,  
3           philosophically, I cannot reiterate often enough that I  
4           think that's the way we approach these things. I think  
5           you ask Aboriginal people how they want to be involved,  
6           what their concerns are and that was done.

7                   Q. All right. I would like to turn  
8           briefly to Exhibit 68, which is the Electricity  
9           Planning Technical Advisory Report. And I believe  
10          actually that the excerpts that I'm going to refer to,  
11          pages 51 and 47, were included in the package that I  
12          provided to the Board.

13                   Now, on page 51 of that report, Dr.  
14          Tennyson, do you have that in front of you yet?

15                   A. No, I don't.

16                   Q. Do you have that?

17                   A. Exhibit 68. Did you say pages 50  
18          and --

19                   Q. No, page 51.

20                   A. Yes, I have it.

21                   Q. I would just like to read the last  
22          paragraph there:

23                   The panel had no doubts about the  
24                   seriousness of Hydro's commitment to a  
25                   more open planning process with

1 meaningful public involvement. Panel  
2 members with experience in other  
3 jurisdictions, however, felt that Hydro's  
4 draft strategy represented a relatively  
5 early stage in the evolution of such  
6 open planning.

7 Dr. Tennyson, would you confirm that or  
8 could you confirm that opinion stated by the panel? Is  
9 that something you agree with?

10 A. To some extent, yes. I think as I  
11 have tried to indicate, I think efforts have  
12 continually been made to involve the public and they  
13 are constantly changing and evolving, but I think that  
14 I would like to point out that in terms of public  
15 involvement Hydro has a long history, much longer than  
16 even what we have been discussing, in all of its  
17 activities. I think that if you look at what even the  
18 research group said about Hydro was that it was  
19 actually a leader in '83 in public participation  
20 processes. There are statements in the exhibit.

21 So the extent that perhaps they are  
22 indicating in terms of sort of planned level, the broad  
23 provincial level planning, it was a relatively early  
24 stage in the evolution of such open planning. I  
25 certainly think that we have a history of that on

1 projects that certainly pre-dated this.

2 Q. All right. I would like to, while  
3 you still have that document in front of you, turn to  
4 page 47. And in the third paragraph, they state:

5 In our view Hydro's process of public  
6 consultation for system planning appears  
7 likely to have important shortcomings  
8 that will affect not only the credibility  
9 of the consultation but also the  
10 soundness of the plans eventually  
11 selected. The deficiencies we note are  
12 as follows: The review of both the  
13 overall strategy and specific action  
14 plans by the public, concerned parties  
15 and government ministries and agencies is  
16 apparently to be left to Hydro to  
17 organize and conduct. It therefore lacks  
18 the appearance and perhaps the  
19 substance of independence and neutrality.

20 Is that a problem that you perceive with  
21 Ontario Hydro's public consultation program for the  
22 DSPS?

23 A. No, I do not.

24 Q. So, did Ontario Hydro give any  
25 consideration to using outside consultants to assist it

1 in producing or designing -- not designing, pardon me,  
2 but actually running its consultation programs?

3 A. I think Hydro, to my knowledge, has  
4 used a variety of approaches. We have brought in  
5 outside consultants for advice, they have certainly run  
6 sessions that I'm familiar with. We have had these  
7 evaluations, external evaluations done of our work, we  
8 have looked to what all other utilities are doing  
9 historically and over time and as well other agencies  
10 and groups.

11 So I think in answer to your questions,  
12 clearly we have benefited from outside advice. Why  
13 I -- just this statement, I mean, to me, I think that  
14 the proponent has to learn by involving the public and  
15 so, therefore, who better to design and try and  
16 implement the program and receive the input to its  
17 activities. So it's more just a difference of opinion,  
18 I guess.

19 Q. All right.

20 MR. SNELSON: A. Perhaps I could just  
21 add that the Electricity Technical Advisory Panel, when  
22 they wrote their report, did not know that we would be  
23 submitting our plans and the strategy behind it to a  
24 thorough public review such as this one.

25 Q. But presumably, Mr. Snelson, you are

1 just surmising that that affected their statement.

2 A. I am just commenting that they didn't  
3 know what process was going to be followed following  
4 the adoption of a strategy and that there would be a  
5 review of the overall plan such as this one, rather  
6 than going straight ahead into individual project  
7 environmental assessments.

8 Q. All right. Dr. Tennyson, in light of  
9 the fact that as we have heard in numerous previous  
10 panels that there are past grievances that many  
11 Aboriginal organizations and communities have with  
12 Ontario Hydro, would you agree that Ontario Hydro might  
13 have been a bit naive in expecting that they would get  
14 an overwhelmingly positive response to letter  
15 invitations to participate in regional consultation or  
16 in provincial organization consultation programs?

17 DR. TENNYSON: A. I don't know that I  
18 would link it now to a knowledge of all the past  
19 grievances. I don't know that there was that knowledge  
20 base. But clearly, we were consulting with Aboriginal  
21 communities throughout that period in terms of specific  
22 projects as you are aware. And during that period, I  
23 had meetings, other panelists have had meetings and did  
24 actively consult with local community members in that  
25 Aboriginal communities.



1                   So I don't think by definition any of us  
2 would assume then that people would not be willing to  
3 talk to us about an overall plan. And I think in fact  
4 they did.

5                   Q. All right, Mr. Snelson, I would like  
6 to turn briefly to Exhibit 58 and I believe I provided  
7 you with the few pages that I intend to refer to. And  
8 the Panel should have that as well.

9                   It begins at page 3 and this is section  
10 7, Public Consultation and Public Issues from Exhibit  
11 58.

12                  Do you have that?

13                  Mr. Snelson, you will recall as you were  
14 part of this, I believe, that during the provincial  
15 organization consultation program, six questions were  
16 posed. The six questions are indicated there under  
17 section 7(b).2, the public issues questions. I just  
18 have a question of design. Mr. Snelson, who designed  
19 these questions, were they designed by systems  
20 planning?

21                  MR. SNELSON: A. This was quite a long  
22 while ago. My recollection is that the design of this  
23 program was by the corporate relations group in  
24 consultation with system planning.

25                  Q. So with respect to these particular

1 questions, were any outside public consultation experts  
2 engaged to assist you in formulating the questions?

3 A. I don't know the answer to that.

4 Q. I could ask you to undertake to find  
5 out. I don't know who you would ask though. I'm  
6 anticipating an objection from my friend.

7 The reason that these questions are  
8 important to us is because the design of a public  
9 consultation program has a lot to do with the outcome  
10 and that is what our public consultation experts are  
11 going to speak to.

12 [3:15 p.m.]

13 So we would like to know whether or not  
14 there was any outside input by public consultation  
15 experts assisting in the design of the questions that  
16 were actually posed. And that's the reason for the  
17 request.

18 MR. B. CAMPBELL: I think the witnesses  
19 have said that they don't know whether there was, Mr.  
20 Chairman. Quite frankly, I am not willing to volunteer  
21 unless the Board -- obviously the Board can tell me to  
22 do so, but I am will to volunteer to go back and make a  
23 determination of whether there was outside or inside  
24 expertise utilized and to what extent in terms of  
25 drawing up these particular questions. They were what

1       they were. If my friend has any criticism of them as a  
2       result of her experts review of them then fine, bring  
3       it forward.

4                   The fact of the matter is these were  
5       questions that were posed and, quite frankly, I am not  
6       at all clear how whether the expertise was external or  
7       internal has anything to do with the merits of it at  
8       any level. I just think to go into this kind of  
9       requirement, to go back into all of these files for  
10      these kinds of questions is an unreasonable request.

11                   MS. KLEER: Mr. Chairman, I don't think  
12      it's going to require a great deal of work.

13                   THE CHAIRMAN: What difference does it  
14      make? These are questions, they seem like me like  
15      quite straightforward, almost obvious, questions that  
16      you would ask in a process like this and whether they  
17      were generated by one group or another group or an  
18      outside group, they were put forward by Ontario Hydro.  
19      I am not quite sure what difference it makes how they  
20      happened to be generated.

21                   MS. KLEER: I am content. I will not  
22      press on this point. We will review them as we see  
23      fit.

24                   THE CHAIRMAN: As Mr. Campbell says, if  
25      there is something wrong with the questions then

1 perhaps you should address that.

2 MS. KLEER: That will be addressed by our  
3 public consultation expert.

4 THE CHAIRMAN: That is a new discipline  
5 which I am not familiar with but no doubt you will be  
6 able to expound on that when the time comes.

7 MS. KLEER: I certainly intend to.

8 Q. I would like to turn then to a few  
9 other questions about public input and I will ask this  
10 general question. Dr. Tennyson, I don't know if you  
11 can answer this or not but I will pose it.

12 Do you agree that the effect of public  
13 input on Ontario Hydro's planning process leading up to  
14 the DSP should be traceable?

15 THE CHAIRMAN: What do you mean by  
16 traceable?

17 MS. KLEER: You should be able to see  
18 what happened to the comments that were given, whether  
19 or not they were incorporated or not, and if not, why  
20 not? That's generally what I mean by traceable.

21 MR. B. CAMPBELL: Mr. Chairman, we have  
22 been around some of these kinds of issues before.  
23 Again, if they should be traceable, I think if my  
24 friend is going to argue that they should be traceable  
25 then there is an appropriate time to do this.

1                   There is a long record of specific  
2   enumerated concerns, specific responses to them,  
3   through the stages of the DSOS, the DSPS. It seems to  
4   me if my friend has questions about the particulars of  
5   that evidence, that is fine. If she wants to though  
6   argue about what should be, then again I say it's a  
7   matter that she has the opportunity to raise in her own  
8   case or argue as she sees fit. But in terms of what  
9   was done, and whether in the judgment of this panel  
10   it's appropriate, that is fine. But I think we are  
11   getting into a very argumentative area here.

12                   THE CHAIRMAN: I understand the question  
13   as, is there a catalogue of matters that were raised in  
14   the process and the history of what happened to those  
15   matters, whether they were accepted and incorporated  
16   into the plan or whether they were partly rejected or  
17   wholly rejected and if so, why? I gather that's the  
18   kind of information she is asking for.

19                   MR. B. CAMPBELL: There is a whole  
20   document, for instance, on that exact point, Mr.  
21   Chairman, that's been done gone into, the fact that  
22   that has been gone into time and time again in this  
23   process. There are Select Committee recommendations, a  
24   series of direct responses, all of those things, and in  
25   my submission, that matter has been gone into at great



1 length already.

2 MS. KLEER: Mr. Chairman, I don't intend  
3 to go into the Select Committee process. I recognize  
4 that that was done.

5 Actually, my question was a general one  
6 of principle and it relates to public consultation and  
7 what the purpose of public consultation should be and  
8 how it should be incorporated. My question was one of  
9 principle. Should public input be traceable in the  
10 process, and that was my question.

11 THE CHAIRMAN: All right. You can answer  
12 that question, if you can.

13 DR. TENNYSON: I personally never  
14 attached, you know, the description of traceability to  
15 it.

16 I think I have always thought of it in  
17 terms of well documented, in terms what its purpose  
18 was, how we did it, the approach, the findings, and  
19 what the results of it were. Certainly the evidence in  
20 this hearing and in all our documents points to what we  
21 learned through all our various public activities and  
22 how in fact those are reflected in the decisions that  
23 occurred.

24 So to that extent, I would argue that it  
25 is traceable, if you like. I understand planning

1 processes are supposed to be traceable.

2 MS. KLEER: Q. Pardon me, I am looking  
3 for an exhibit that appears to have gone missing. I am  
4 looking for Exhibit 535, I just want to refer to that  
5 briefly.

6 If we can turn to page 15 of that  
7 document. In the last column of page 15, the last  
8 sentence it states that later the Electricity Planning  
9 Technical Advisory Panel referred to the need for  
10 Ontario Hydro to show the relationship between the  
11 points of public involvement and the points of  
12 decision.

13 That's what that statement says; correct?

14 DR. TENNYSON: A. That's what it says.  
15 And that's what we have done.

16 Q. Does Ontario Hydro agree that that in  
17 fact needs to be done?

18 A. I think we have done it.

19 Q. So you agree it needs to be done?

20 THE CHAIRMAN: She said she has done it.

21 MS. KLEER: Q. All right. If we turn to  
22 page 5, I apologize for going back, of Exhibit 68,  
23 which is the report of the Electricity Planning  
24 Technical Advisory Panel. That will not be in your  
25 excerpts, unfortunately. You would have to go back to

1 the Exhibit 68 for that.

2 I am looking at the third paragraph  
3 there. Does the panel have that?

4 In the third paragraph, the EPTAP group  
5 stated -- well, actually we should go to the second  
6 paragraph to give it context.

7 In lights of the panel's mandate the  
8 question for us is how effective the  
9 Hydro report and related documents will  
10 be in ensuring and improving Hydro's  
11 accountability and public involvement in  
12 the power system planning process. On  
13 this we have some doubts.

14 The primary requirement of encouraging  
15 public involvement in any process is  
16 explaining what the process is and  
17 showing the relation between the points  
18 of public involvement and the points of  
19 decision. We have had difficulty  
20 discerning these linkages. Such  
21 uncertainties will impair the  
22 effectiveness of public consultation.

23 So would you agree, Dr. Tennyson, that at  
24 least as per this group of people, the EPTAP group,  
25 they had problems discerning linkages between public

1 consultation and the points of decision?

2 DR. TENNYSON: A. They seem to have had  
3 that difficulty.

4 Q. All right.

5 A. But clearly we are talking one point  
6 in time. There has been a lot of decisions made since  
7 documentation of the Demand/Supply Plan and our other  
8 work and all our evidence. So clearly perhaps they  
9 wouldn't make this statement today.

10 Q. All right. I would like to go now to  
11 another document that has a document precis on it, it's  
12 dated June 1991. It's entitled: Public Consultation  
13 on Municipal Solid Waste Management Towards a  
14 Sustainable Waste Management System. And again, these  
15 are just excerpts from this report which was prepared  
16 for the Waste Management Branch, Ontario Ministry of  
17 the Environment.

18 THE CHAIRMAN: Do you want an exhibit  
19 number for that?

20 THE REGISTRAR: 714.

21 ---EXHIBIT NO. 714: Excerpts from document entitled:  
22 Public Consultation on Municipal Solid  
23 Waste Management Towards a Sustainable  
Waste Management System, June 1991.

24 MS. KLEER: Q. Now, if we go to page 1  
25 of that report, after the table of contents, under

1 section 2.0 dealing with public consultation  
2 methodology, you would agree that this document  
3 indicates that an environmental consulting firm, and I  
4 am looking here at the second paragraph, an  
5 environmental consulting firm specializing in public  
6 consultations was retained to document all forms of  
7 public response and to prepare a summary report and  
8 then they refer to Appendix A.

9 I take it, Dr. Tennyson, that that route  
10 wasn't chosen for the DSOS and DSP approaches. You  
11 didn't actually retain outside consultants to prepare  
12 these reports.

13 DR. TENNYSON: A. Not to my knowledge.  
14 But I guess I would like to point out that we believe  
15 we have experts in public consultation in Ontario  
16 Hydro.

17 Q. All right. I would like to just look  
18 at the tables or some of the tables that are contained  
19 in this report, at pages 8, 10 and 11, under general  
20 and public comments. Would you agree with me, Dr.  
21 Tennyson, that the format in which this is presented  
22 allows one on very specific issues to indicate which  
23 sector of the public express their concern and how  
24 frequently they express that?

25 A. It allows the reader, because of the



1 way they have done it, they have broken it down by  
2 stakeholder groups and they have collapsed it into some  
3 categories such as occasional and repeatedly and to the  
4 extent that that's meaningful, yes.

5 Q. All right. Now, with your regional  
6 consultation program, I have looked at the reports,  
7 regional consultation program for the DSOS, I have  
8 looked at the reports and the exhibits that refer to  
9 them, now the way the reports were structured there,  
10 they are generally broad ranging discussions, they  
11 don't allow you to, in a categorical way such as  
12 indicated here, to trace where certain comments were  
13 coming from. Is that fair to say?

14 A. Quite frankly I am not familiar  
15 enough with the reports. In fact, I know they  
16 generally discuss results. I think it depends on the  
17 purpose of the reporting. I mean, that was the way it  
18 was chosen to be documented. And obviously in this  
19 instance they decide to document it in a different way,  
20 depending on the purpose of the document.

21 Q. Do you think it would have aided  
22 Ontario Hydro's reporting of its public consultation  
23 results to have adopted a format more similar to this?

24 A. I think depending on the purpose once  
25 again. I think if you look back to the regional

1 consultation program, it was an attempt to get a number  
2 of interests out, to generally discuss a broad range of  
3 issues. I think to that extent that's what the report  
4 does, it documents the discussions of the broad range  
5 of issues. So I think it does exactly what it was  
6 intended to do.

7 Q. All right. I would like to turn to  
8 the next document in our package, dated August 1991,  
9 it's entitled: Pacific Northwest Electric Power  
10 Planning and Conservation Act, and it has excerpts of  
11 that Act.

12 Can we have the next exhibit number for  
13 that?

14 THE REGISTRAR: 715

15 ---EXHIBIT NO. 715: Document entitled: Pacific  
16 Northwest Electric Power Planning and  
Conservation Act, dated August 1991.

17 MS. KLEER: Q. Perhaps Mr. Snelson or  
18 Mr. Shalaby can confirm that this Act applies to the  
19 Bonneville Power Administration and that's a power  
20 administration that you are quite familiar with, Mr.  
21 Shalaby or Mr. Snelson?

22 MR. SNELSON: A. In very general terms I  
23 know it has importance for, I believe it's, four states  
24 in the northwestern part of the United States, and that  
25 Bonneville is a major federal body with responsibility

1 for some aspect of electric power planning and  
2 operation in that area. But the specific legal  
3 niceties as to whether it is just for Bonneville or --  
4 in fact, I think it goes beyond Bonneville.

5 Q. But you are familiar with how it does  
6 its system planning, generally speaking?

7 A. Not in any detailed way.

8 Q. All right. Are you aware then -- and  
9 perhaps I can't go very far with this, I will ask you  
10 this you, Dr. Tennyson.

11 Are you aware that American Indian Tribal  
12 governments have representatives which sit on an  
13 advisory committee to the power planning council for  
14 the Bonneville Power Administration?

15 DR. TENNYSON: A. I am not aware of  
16 that.

17 Q. I think I am not going to go any  
18 further with this. I thought you had greater knowledge  
19 of this.

20 I would like to turn then to Exhibit 535,  
21 and we will go through this in some detail. I don't  
22 know when the Board normally takes its break.

23 THE CHAIRMAN: We take it about now. We  
24 will take a break for 15 minutes.

25 THE REGISTRAR: Please come to order.

1 This hearing will recess for 15 minutes.

2 ---Recess at 3:30 p.m.

3 ---On resuming at 3:50 p.m.

4 THE REGISTRAR: Please come to order.

5 This hearing is again in session. Be seated, please.

6 MS. KLEER: Q. Dr. Tennyson, we are  
7 going to look at Exhibit 535, and my first question for  
8 you is, you would agree that the public feedback  
9 program is not -- or the result of the public feedback  
10 program is not relevant to the presubmission  
11 consultation guidelines and whether they have been met  
12 with?

13 DR. TENNYSON: A. I don't really  
14 understand your question.

15 Q. Well, presubmission consultation  
16 guidelines apply to consultation prior to submission of  
17 an environmental assessment document. Would you agree  
18 that the public feedback program, because it followed  
19 the release of the DSPS, is not relevant from the  
20 perspective of presubmission consultation?

21 A. Yes.

22 Q. Let's turn to page 25 of Exhibit 535,  
23 and in the third column on that page you refer to  
24 meetings with several Aboriginal groups in the context  
25 of site and route-specific EAs. Because they were in

1 the context of route and site-specific EAs did they  
2 feed back into the DSP or were they actually meant to  
3 apply only to the route and site-specific?

4 A. That's a little difficult to answer.

5 I think that what the intent of these  
6 statements is that there have been a number of meetings  
7 where all types of issues were addressed, concerns at  
8 various levels about options, about what other plans  
9 are you undertaking. So that in terms of discussions  
10 they have been wide ranging and in terms of providing  
11 information and getting that feedback.

12 Now, certainly in terms of the work that  
13 went into the Update, some of the direct evidence that  
14 I have given and indicated in terms of looking at the  
15 options do reflect the ongoing consultation that has  
16 occurred. It's meant to be timely, it includes what is  
17 documented in this report, as well as other knowledge  
18 that we would have based on consultations.

19 Q. All right. I would like to look at  
20 the objectives of the public feedback program. And if  
21 we can turn to page 20, in the first column, one of  
22 your objectives, you would agree was to report to  
23 senior management on public comments and the issues and  
24 concerns identified through the public feedback  
25 program.



1                   Can you elaborate upon that? What was  
2                   the objective of that reporting? Was it so that they  
3                   would revise the DSP in light of the public feedback or  
4                   was it for some other objective?

5                   A. I think the objective is as stated  
6                   here. Certainly we were undertaking major efforts to  
7                   consult with the people of Ontario, and it seems  
8                   reasonable that one of the products of that exercise  
9                   would be to report back, and monthly reports were  
10                  prepared.

11                  As I indicated in my direct evidence, all  
12                  of that information became a part of the decision-  
13                  making that occurred and indeed is reflected in the  
14                  Update.

15                  Q. All right. Let's examine that  
16                  conclusion. Turn to page 31, if you would. Under  
17                  section 5.11, in the second paragraph. Now, you have  
18                  made this comment before, you say that -- or rather the  
19                  results of the program showed that equity and the  
20                  distribution of risks and benefits are controversial  
21                  issues. That was feeling that Northern Ontario  
22                  receives very few of the benefits associated with power  
23                  generation and many of the disbenefits.

24                  Now, were there adjustments in Ontario  
25                  Hydro's DSP or in the DSP Update, rather, that

1 specifically addressed that concern?

2 A. I think as I have indicated in my  
3 direct evidence and others as well, that when concerns  
4 are identified, it's something that we have to address  
5 in our planning and in our assessment processes.

6 To the extent that projects or  
7 developments are to proceed in the north or in any  
8 other location of the province, we are trying to ensure  
9 that the people receive benefits from the projects as  
10 well.

11 Q. Turn to page 29, if you would. On  
12 the second -- sorry, on the first column, under the  
13 hydraulic option, in the second paragraph you note that  
14 in the public feedback program one of the results was  
15 to show that the impact of hydraulic development on  
16 Aboriginal people was of particular interest.

17 Now, just to confirm one thing. There is  
18 no mention here in Exhibit 535, and particularly in  
19 this place, about any public reaction to the Niagara  
20 extensions; is that correct?

21 A. To my knowledge, I don't honestly  
22 know.

23 Particularly in terms of the discussion  
24 the option, this is what was reported in terms of the  
25 feedback program.

1 Q. All right. Would you agree that this  
2 particular finding about their being concern about the  
3 impacts of hydraulic development on Aboriginal people,  
4 hasn't been reflected in the illustrative approach  
5 referred to in Exhibit 452 for the update nuclear plan  
6 because what has been suggested is that Ontario Hydro  
7 should defer Niagara and go ahead with the Mattagami  
8 extensions. So to that extent, that particular concern  
9 hasn't been reflected in the DSP Update; is that  
10 correct?

11 MR. SNELSON: A. Well, the DSP Update,  
12 and I think of that as consolidating all of the changes  
13 between the issue of the Demand/Supply Plan in '89 and  
14 the issue of Exhibit 452 in January of this year,  
15 reflects the decisions with respect to co-planning in  
16 the Moose River Basin which were discussed on Panel 6.  
17 I think that could be seen as being a response to this.

18 Q. All right. If you could turn to page  
19 37 under purchase options, in the first column, one of  
20 the findings of the public feedback program was as per  
21 the second line there:

22 The potential environmental impact  
23 related to both transmission and  
24 generation inside and out of Ontario of  
25 purchase options was identified as an

1 additional concern during the DSP public  
2 feedback program.

3 Would you agree that this additional  
4 concern was not studied by Ontario Hydro as a result of  
5 this expression of concern, but rather that it has been  
6 left to Manitoba Hydro to deal with those impacts,  
7 out-of-province that is?

8 DR. TENNYSON: A. We discussed this on  
9 Panel 7 as I recall, and yes, the impacts on Manitoba  
10 are being dealt with in Manitoba.

11 Q. So again, with respect to this  
12 particular concern that was identified, Ontario Hydro  
13 recognized it but chose not to incorporate it into its  
14 DSP Update or into its evidence, rather?

15 A. We are documenting the concern, and  
16 as I said, those concerns will be addressed in Manitoba  
17 under their appropriate processes.

18 Q. Would you agree with me that there is  
19 certainly not an expression, a direct expression in the  
20 objectives of the public feedback program at page 20,  
21 that people who provided input in the public feedback  
22 program could expect that their issues and concerns  
23 would actually be reflected in Ontario Hydro's DSP  
24 Update?

25 A. If I understand your question, as it

1 says here, we provided the opportunity for interested  
2 groups and individuals to review and comment on the  
3 plan. As I said, the changes in the Update are  
4 consistent with what we were told through these  
5 activities.

6 I think that this hearing, this forum,  
7 provides an opportunity for everyone to assess how well  
8 we have in fact incorporated the concerns.

9 Q. People were not directly told at  
10 these public information centres, were they, that we  
11 will take your input into account in revising our plan?  
12 That certainly is not reflected in the actual stated  
13 objectives of the feedback program.

14 THE CHAIRMAN: I guess you should perhaps  
15 elaborate what you mean by taken into account.

16 MS. KLEER: What I am mean by that --

17 THE CHAIRMAN: Considered, thought about,  
18 accepted or rejected, or accepted and incorporated.  
19 There are two different --

20 MS. KLEER: I recognize that Ontario  
21 Hydro is not going to say, because you said it, it will  
22 be in our revised plan.

23 Q. But were they told we will consider  
24 your comments and we will decide whether or not we  
25 reflect them in our updated plan?



1 DR. TENNYSON: A. Well, at that time  
2 when we went out I don't think anyone of us were  
3 talking about updated plan. We were getting views on  
4 the plan itself.

5 But in any activities I know that, or I  
6 have been advised that in the regional consultation  
7 program that we are discussing earlier, the groups were  
8 specifically asked and told that, yes, their input  
9 would be incorporated and taken into account in  
10 devising the planning strategy.

11 Q. All right. Then if you didn't know  
12 at time that you went about designing the public  
13 feedback program and actually implementing that  
14 program, that you were going to have a revised plan,  
15 what were people told? Just give us your comments and  
16 what will we do with those comments? I mean, did  
17 people not express that concern?

18 A. Others on the panel I think were out  
19 at these meetings as well.

20 In terms of going out we had, as I say,  
21 we had the questionnaires, we had discusses to find out  
22 what people thought about the plan, what their concerns  
23 on various things are.

24 Certainly in talking to them we would  
25 indicate the importance of their input, that it would

1 be going back to Hydro to senior management, that we  
2 would be documenting their concerns as you say.

3 MS. HOWES: A. I just wanted to add that  
4 another point that was raised at the information  
5 centres, certainly the ones that I was at, was that the  
6 information in the comments was going to be documented  
7 and would be filed in front this hearing process. So  
8 there was an expectation that the information and  
9 comments would be used.

10 As well, I think as Mr. Snelson has said  
11 before, planning is an ongoing process and it wasn't  
12 static. I think Dr. Tennyson indicated that at the  
13 time the feedback program was under way there was no  
14 expectation of an update within a certain period of  
15 time, but I think all of us realize that the plan was  
16 not static, that it would change as times change. So  
17 public input and information is valuable.

18 DR. TENNYSON: A. I think as well that  
19 we have on the various panels attempted to indicate  
20 what the results of all our activities have been, how  
21 we have changed it with our practices or the plan, and  
22 that it is an ongoing situation.

23 Q. All right. I am just curious about  
24 your comments that this has been incorporated into the  
25 DSP Update, because when I look at the conclusion,

1 which is at page 37, under section 6.4, I would just  
2 like to briefly read this:

3 Ontario Hydro has been informed of  
4 public and government comments and  
5 concerns and has monitored issues and  
6 priorities over time. Input from the  
7 public and government was considered in  
8 the development of the demand/supply  
9 option study, the demand/supply planning  
10 strategy, and in the development and  
11 evaluation of major supply options, major  
12 supply plans, and demand/supply plans.

13 The proposed Demand/Supply Plan  
14 addresses many of the concerns expressed  
15 by various parties that have been  
16 involved over the course of the long-term  
17 electricity planning process.

18 I certainly see nothing in the conclusion  
19 that says and these comments have been incorporated  
20 into the Demand/Supply Plan Update or will be  
21 incorporated in the Demand/Supply Plan Update?

22 A. What I indicated was that the  
23 changes -- and it's in my direct evidence, the changes  
24 that have occurred are consistent with the messages  
25 that we learned and were told by the public.

1                   And as I have said, the results indicated  
2                   that we should encourage demand management and put more  
3                   emphasis on non-utility generation. I went through the  
4                   five results and I feel that the Update is consistent  
5                   with that.

6                   Q. All right. I would like to just  
7                   compare that conclusion with the comments or the  
8                   findings referred to at page 36 under Environment,  
9                   General, section 6.3.4. You referred to this in your  
10                  direct evidence as well, Dr. Tennyson.

11                  It says there at the bottom of the second  
12                  column:

13                         During the DSP public feedback program  
14                         the environment was the primary concern  
15                         for many participants, as was demand  
16                         management. The need to select options  
17                         that minimize environmental impact became  
18                         a priority for many. Participants  
19                         expressed a willingness to trade off  
20                         additional cost for environmental  
21                         protection.

22                  Now, how precisely was that particular  
23                  willingness to trade off additional cost for  
24                  environmental protection incorporated into your DSP  
25                  Update?

1 MS. HOWES: A. I would suggest in the  
2 Update relative to the 1989 plan there are additional  
3 emission controls that were assumed for the plants, and  
4 I think there has been considerable discussion of the  
5 cost of those particular controls.

6 Q. All right. I would like to look  
7 briefly at the questionnaire, the public feedback  
8 questionnaire at page 52 of Exhibit 535, and I am  
9 looking at question 1A.

10 Would you agree with me, Dr. Tennyson,  
11 that there is nothing in the list of considerations  
12 shown in A1 that pertains directly to minimizing  
13 environmental impacts associated with hydraulic or  
14 purchase options? And perhaps Ms. Howes could answer  
15 that as well, or the alternative.

16 DR. TENNYSON: A. Well, the question is  
17 right there and those were the categories of responses.

18 Q. So you would agree with me that there  
19 is nothing in their particularly about minimizing  
20 environmental impacts associated with hydraulic or  
21 purchase options?

22 A. No.

23 Q. No meaning you agree?

24 A. No, there isn't.

25 Q. And at page 28, I apologize for



1 flipping around, the document summarizes findings about  
2 purchase options, and it goes on at page 29, and it  
3 says in the second full paragraph that:

4 Relatively few questionnaire  
5 respondents, largely in the northern part  
6 of the province, indicated that they were  
7 generally against the purchase of  
8 electricity from other jurisdictions.

9 Now, I just want to understand that  
10 comment because I am not sure what it means.

11 Does this comment mean that the  
12 questionnaire respondents from the northern part of the  
13 province were the ones who were against purchase of  
14 electricity from other jurisdictions?

15 A. The way I interpret that is that  
16 there were relatively few that indicated that they  
17 against, but the relatively few were largely in the  
18 northern part of the province.

19 Q. Now, I just find it interesting that  
20 you refer here to the questionnaire respondents,  
21 because if you go back to the questionnaire, it seems  
22 to me that there is nowhere in the questionnaire that  
23 makes any specific reference to purchase options.

24 A. Well, I can only say that in  
25 analyzing -- obviously if they say relatively few

1 questionnaire respondents, clearly there were some  
2 questionnaire respondents who did mention that concern.  
3 It may in fact have been in the open-ended questions  
4 that asked for additional concerns.

5 Q. All right. So, would you agree that  
6 it would be impossible to conclude from the  
7 questionnaire results that there was not greater  
8 opposition to purchases from other jurisdictions than  
9 was evidenced from the responses given that you didn't  
10 have any direct question that related to that?

11 A. I guess if specific questions were  
12 asked about -- I can't speculate what the answer would  
13 have been. I know that purchases, I have indicated on  
14 Panel 7, purchase option was discussed with all the  
15 groups over time. That is one of the stable sort of  
16 discussion points since the early 80s obviously when we  
17 discussed all the options. And in fact the concerns  
18 expressed have been pretty well consistent over that  
19 time.

20 So I think that we have a pretty good  
21 handle on the fact of what kind of support there is for  
22 it and what those concerns are.

23 Q. But you can't conclude from the  
24 questionnaire results that say that relatively few  
25 people addressed the question, that therefore

1 relatively few people are concerned about it.

2 A. I didn't conclude that.

3 Q. All right. Again, looking at page 52  
4 at the questions in item 1A there. Would you agree  
5 that there is no choice in this list of considerations  
6 that would allow a person completing the questionnaire  
7 to indicate that they considered it important to not  
8 explore any new supply in Ontario or from another  
9 province, but to include only, for example, demand  
10 management and co generation and alternative  
11 technologies to meet long-term electricity  
12 requirements?

13 A. Could I ask you to repeat that?

14 Q. Pardon me.

15 Given the list of considerations that are  
16 in question 1A, a person who was completing that  
17 questionnaire couldn't indicate, because of the choices  
18 that were provided to them, that they considered it  
19 important to not explore any new supply, but rather to  
20 look at demand management, cogen, alternative  
21 technologies as the appropriate mix?

22 MR. B. CAMPBELL: Just a minute. Are you  
23 asking the question -- because I think you have stated  
24 it two ways as you went through the question. Are you  
25 asking the question only in relation to question 1A or

1 in relation to the questionnaire generally?

2 MS. KLEER: I am asking it in relation to  
3 question 1A.

4 MR. B. CAMPBELL: Ignoring the rest of  
5 the questionnaire?

6 MS. KLEER: Ignoring the rest of the  
7 questionnaire for the moment.

8 DR. TENNYSON: I think I have been over  
9 this in previous cross. Clearly, that question gives  
10 some of the considerations, taken into account as it  
11 says, and asks those considerations to be rated.

12 However, there are other questions that  
13 are open-ended, specifically No. 4. And so that these  
14 other kinds of concerns that have been identified  
15 through the questionnaire obviously came out in  
16 response to other questions.

17 I think as well that in terms of the  
18 questionnaire, and the part it played in the kind of  
19 information centre setting, clearly as I have said  
20 before, other concerns were documented through that.

21 So I can assure you that when people had  
22 a great interest in, say, for example, demand  
23 management or were, you know, very much in opposition  
24 to a particular technology, that that was heard and  
25 documented.

1 MS. KLEER: Q. All right. I am going to  
2 move away from 535 for the moment and I would like to  
3 ask you, Mr. Snelson, a few questions in relation to a  
4 statement that you made to Ms. Marlatt in  
5 cross-examination. I don't think I need to turn to it.

6 I think you will recall that you didn't  
7 think that the DSPS criteria are likely to change  
8 substantially over time. Do you recall that?

9 MR. SNELSON: A. Yes, I do. I am  
10 talking about the criteria in the DSPS.

11 Q. And, Dr. Tennyson, you have agreed  
12 with others in cross, and I believe you have reiterated  
13 as well today, that Ontario Hydro is very interested in  
14 public consultation to keep informed about public  
15 values and concerns and expectations; correct.

16 DR. TENNYSON: A. That's correct.

17 Q. All right. Now, isn't it true then,  
18 and either one of can answer this question, that in the  
19 course of Ontario Hydro's public consultation work and  
20 in the course of this environmental assessment hearing,  
21 that you have heard a lot of negative public reaction  
22 to new large hydraulic development in the North from  
23 Aboriginal groups, Coalition of Environmental Groups,  
24 Northwatch, et cetera, because of concerns about  
25 impacts on Aboriginal people and cumulative effects.



1                   You would agree that you have heard a lot  
2                   of those concerns?

3                   MR. SNELSON: A. There have been such  
4                   expressions of concern.

5                   Q. All right. Now in light of that  
6                   public feedback, I suggest, Mr. Snelson, that the  
7                   robustness of one of your major thrusts of your DSPS;  
8                   namely, that Ontario Hydro give a high priority to the  
9                   orderly development of the remaining economic  
10                  hydroelectric potential, recognizing that this is a  
11                  renewable but limited resource, is seriously in doubt  
12                  in light of that public feedback?

13                  A. First of all, let's separate two  
14                  things. You started out with criteria which is the  
15                  list of primary and secondary criteria which is in the  
16                  demand/supply planning strategy. And I think I have  
17                  heard you now shift from that to strategic thrusts.

18                  Q. All right.

19                  A. And my question is to -- my answer I  
20                  believe to Ms. Marlatt as to whether the criteria could  
21                  change was with respect to the list of criteria. It  
22                  was not necessarily with respect to the major thrusts.

23                  Q. All right. Then let me ask the  
24                  question that Ms. Marlatt asked you in relation to  
25                  criteria and pose in relation to the DSP as major

1        thrusts. Is it likely that those major thrusts could  
2        change over time in light of public input?

3                    A. I think that as a result of the  
4        processes such as this, then it is possible that some  
5        of those things could be changed. This is under review  
6        in this process.

7                    Q. Then looking at the particular major  
8        thrust that I was just referring you to; namely, high  
9        priority to hydraulic, do you believe that that major  
10      thrust has been changed or should be changed as a  
11      result of the public feedback that you have obtained in  
12      the course of doing this environmental assessment?

13                   A. I don't believe it should be changed,  
14      but that is clearly one of the things that is being  
15      reviewed here.

16                   Q. I would like to turn to another set  
17      of documents that I have provided copies of to the  
18      Board, and it is entitled: Press Clipping and  
19      Transcript References Re Joint Federal/Provincial  
20      Environmental Assessment Hearings on Conawapa  
21      Generating Station, dated June 9, 1992 and June 3 and  
22      4, 1992.

23                   THE REGISTRAR: 716.

24

25

1       ---EXHIBIT NO. 716: Document entitled: Press Clipping  
2                                   and Transcript References Re Joint Federal/  
3                                   Provincial Environmental Assessment  
                                 Hearings on Conawapa Generating Station,  
                                 dated June 9, 1992 and June 3 and 4, 1992.

4                   MS. KLEER:   Q.   Now, Ms. Howes, I would  
5       like to take to you some of the transcript references  
6       that are at the end. And just to put this in context,  
7       these are transcripts from the hearing into creating  
8       EIS guidelines for the Conawapa generating station.  
9       And I would like to turn to page 417 of the excerpts.

10                               Do you have that, Ms. Howes?

11                   MS. HOWES:   A.   Yes.

12                   Q.   I just want to briefly refer you to  
13       the credentials of Dr. Dave Rosenberg who was one of  
14       the people who gave comments at this presentation. It  
15       says here that Dr. Rosenberg received his Ph.D. from  
16       the University -- pardon me, under the broad topic of  
17       research ecology and biological productivity...

18                               We have firstly Dr. Dave Rosenberg.  
19                   Dr. David Rosenberg received his Ph.D.  
20                   from the University of Alberta in 1973.  
21                   He is currently a research scientist at  
22                   the Department of Fisheries and Oceans,  
23                   Fresh Water Institute. His experience in  
24                   part, from 1971 to 1975, he was a mater  
25                   of the Fresh Water Institute group

1 studying environmental impact of the  
2 proposed MacKenzie Valley gas and oil  
3 pipelines. From 1975 to 1981 he was a  
4 member of the Fresh Water Institute group  
5 studying ecological effects of the  
6 Churchill/Nelson River diversion and  
7 flooding of Southern Indian Lake. And  
8 from 1991 to present he is a member of  
9 the Fresh Water Institute group studying  
10 the ecological effects of flooding peat  
11 lands at the experimental lakes area in  
12 Ontario.

13 Now, I wanted to give that context  
14 because I want to refer you to a comment that he made  
15 in response to a question by Chief Ross, Chief Alan  
16 Ross, starting at page 539. Actually, the question  
17 comes at the bottom of page 540 where Chief Alan Ross  
18 asks:

19 Is Manitoba Hydro producing clean  
20 cheap power? Is the power really clean  
21 in the sense that they might define  
22 clean? Is it clean for us in Norway  
23 House?

24 And then Dr. Rosenberg was asked whether  
25 he wanted to present an opinion on that, and he says:

1                   The name or the term "clean" for  
2                   hydroelectric power I think is a bit of a  
3                   misnomer. From our studies on Southern  
4                   Indian Lake and from what we can see from  
5                   Northern Quebec, there are vast areas of  
6                   landscape that are destroyed by this type  
7                   of hydroelectric development. I don't  
8                   think that's clean.

9                   We have mercury contamination problems  
10                  in fish in a number of North temperate  
11                  reservoirs that have been created. We  
12                  also have the newest surprise, the  
13                  potential for emission of greenhouse  
14                  gases from newly flooded peatlands.

15                  So I guess it depends on how you  
16                  define the term clean, but I believe the  
17                  era of claims that hydroelectric  
18                  generation is clean compared to other  
19                  kinds of power generation, it is time to  
20                  re-examine that statement.

21                  And he goes on.

22                  Now, Ms. Howes, this is just one  
23                  statement by one person, Dr. Rosenberg, and we have  
24                  read his qualifications. If the scientific community's  
25                  opinion on the natural environmental effects of



1 hydraulic is that it is not really a clean option and  
2 if that were to develop as a strong opinion in the  
3 scientific community, would it be your opinion that the  
4 major thrust in the demand/supply planning strategy  
5 about hydraulic development in Ontario ought to be  
6 revised?

7 MS. HOWES: A. I think there are two  
8 questions there.

9 I think it is quite clear from our  
10 evidence in Panel 6 and certainly from my direct  
11 evidence that we have agreed there are advantages and  
12 disadvantages of hydroelectric development from a  
13 natural environment point of view. We at Ontario  
14 Hydro, for example, have also been participating in  
15 these peatland studies and we are well aware of the  
16 potential for CO(2) emissions from the flooding of  
17 peatlands. We have involved in the experimental lakes  
18 district information.

19 So I would not challenge anything that  
20 Mr. Rosenberg has said. I totally agree with him.

21 I don't think we have ever contended that  
22 hydraulic is environmentally benign and if anyone in  
23 Hydro has said that it is probably out of context.

24 I think, though, that there are some  
25 advantages and disadvantages of hydroelectric

1 developments. I think often the context for clean  
2 comes from a focus on air emissions, and I would have  
3 to agree that from an SO(2) and NOx point of view,  
4 hydroelectric looks quite good. But there are  
5 different environmental effects that I think that we  
6 have to be cognizant of in our planning.

7 I think the second part of your question  
8 was more, should we be still considering hydroelectric  
9 developments in our plan, and at this point I would say  
10 I think we should, but we all have recognized and  
11 acknowledged that there be site-specific project  
12 environmental assessments and more specific information  
13 about local and regional impacts will be identified at  
14 that time.

15 Q. All right. Just going back then to  
16 the questions that I asked you, Mr. Snelson. If in the  
17 course of those site-specific EAs it became clear to  
18 Ontario Hydro that the evidence was such that  
19 hydroelectric development poses some serious  
20 environmental disadvantages at the site-specific level,  
21 would you consider revisiting your demand/supply  
22 planning strategy major thrust?

23 MR. SNELSON: A. Well, it would depend  
24 very clearly -- and you can go back over my evidence on  
25 Panel 6 and in this panel too, we do recognize that the

1 environmental effects of hydroelectric generation in  
2 the local area are potentially significant, and that  
3 the development of the provincial hydroelectric  
4 resource for that benefit, for the wider benefit, is  
5 subject to local considerations.

6 And so you go back over my evidence in  
7 Panel 6 and you will see that it was always with  
8 respect to provided the local effects can be adequately  
9 managed. And with that proviso I think it still  
10 stands.

11 But on a project level then I think that  
12 it is a real consideration that a site-specific  
13 environmental assessment for a hydroelectric project  
14 may decide that this particular hydroelectric  
15 development is not satisfactory from a local point of  
16 view and should not proceed, and that's always been  
17 clear.

18 If you go back over Panel 6 evidence I  
19 think you will find that one of the things that came  
20 out about the environmental effects was that they are  
21 very site-specific, and that there are some places  
22 where the effects would be very small and some places  
23 where the effects are potentially quite significant.

24 And so, I don't think you can rule the  
25 option out on a general level, but at a site-specific

1 level, yes there will be some cases where it's quite  
2 possible that options will be dropped for local  
3 environmental reasons.

4 Q. All right. I was interested in your  
5 comment, Ms. Howes, in the course of answering the  
6 first part of my question about hydroelectric not being  
7 environmentally benign. And I apologize, I am going to  
8 take you back briefly to Exhibit 535. I will have to  
9 find the page. Page 29, the top of the second column  
10 there, and this is under findings with respect to the  
11 hydraulic option, the statement is made there that  
12 there remains a perception that hydraulic generation is  
13 somewhat less environmentally damaging than other  
14 generation options.

15 Now, is that a perception -- that's just  
16 a public expression of their perception?

17 MS. HOWES: A. I think it is important  
18 to note that it's a public perception.

19 The context of question that you asked me  
20 was in the scientific community, I think it's quite  
21 different.

22 Q. While I am on this, Dr. Tennyson,  
23 there is no way that we can tell from this public  
24 consultation document what percentage of people at  
25 these public information centres and the various other

1 public feedback initiatives that were undertaken held  
2 that perception?

3 DR. TENNYSON: A. There is not actual  
4 numbers on that. There are percentages on other  
5 questions.

6 So that when we do make these statements,  
7 though, and once again that's something that's been  
8 consistent throughout the 80s, it's generally held, so  
9 that it is not one or two people saying it.

10 Q. I would like to turn to Exhibit 646  
11 to attachment B in Exhibit 646. I want to look first  
12 at the safety criterion. And I believe, Mr. Dalziel  
13 -- Diel (phoen.) as in Riel?

14 MR. DALZIEL: A. If you like.

15 Q. You have indicated at page B-1 of  
16 Exhibit 646, that one safety issue is that creation of  
17 reservoirs may result in increased methyl mercury  
18 levels in fish and that toxicity leads to health  
19 concerns through fish consumption. But you also  
20 concluded in your direct evidence that all of the  
21 options, hydroelectric, and all the other options  
22 listed on this page, are acceptably safe to the public.

23 You recall that testimony?

24 A. That's right.

25 Q. All right. Isn't it true though that



1 in river systems where levels of mercury in fish are  
2 already high, above levels acceptable for human  
3 consumption, that the hydroelectric option may not be a  
4 safe option in the way you have defined safety here?

5 A. I think we are looking at it here in  
6 the planning context, and when it comes down to the  
7 project-specific environmental assessment, then there  
8 may be more information that could be used to determine  
9 the extent to which mercury would be more of a factor  
10 in determining whether the project was considered  
11 acceptable.

12 Q. Now, just to understand what you  
13 meant by acceptably safe when you used that terminology  
14 in your evidence, I take it that's not implying that  
15 you did a comprehensive risk assessment to determine  
16 that all of these options were acceptably safe. That  
17 is a judgment, isn't it?

18 A. There were a series of exhibits that  
19 were prepared for essentially each of the main options,  
20 the hydroelectric option, and there wasn't a risk  
21 assessment done in that context.

22 There were some risk type assessments  
23 that were carried out for the fossil option and the  
24 nuclear option. I believe those were Exhibits 468, for  
25 the fossil option and 507 for the nuclear option.

1 Q. Okay. With respect to the land use  
2 criterion, and I believe, Ms. Howes, this would be your  
3 area, and I would like to look at page B-6 of 646. You  
4 have indicated there under land use that for the  
5 Manitoba Purchase there are 9,440 hectares of area  
6 assuming that the right-of-way width is 80 metres.

7 Now, Ms. Howes, you might recall that in  
8 response to Mr. Starkman's cross-examination that you  
9 considered that there were some impacts on the natural  
10 environment outside of Ontario that you took into  
11 account in your tables; namely, land area required for  
12 uranium tailings, coal mining and uranium mining. Do  
13 you recall that?

14 MS. HOWES: A. That's right, yes.

15 Q. Now, you would agree that the figure  
16 here that you have shown for the land use impacts for  
17 the Manitoba Purchase is only in Ontario and it doesn't  
18 include all the land area that would be required in  
19 Manitoba for the transmission lines and the generating  
20 stations and --

21 A. Yes, that's true. And it's my  
22 understanding that the generation and transmission in  
23 Manitoba will be subject to a provincial and federal EA  
24 process.

25 Q. So that is why you didn't include it

1 here as part of the land use considerations?

2 A. That's right. This focus on these  
3 tables was on operational. It was a snapshot of the  
4 environmental effects of the options that we were  
5 considering.

6 Q. So you wouldn't agree with me then  
7 that to be more consistent in your comparison that you  
8 want to add in that land area required in Manitoba so  
9 that you could more consistently compare across the  
10 options pertaining to uranium and coal mining and  
11 uranium tailings?

12 A. These particular numbers on these  
13 tables relate to operations of a fossil station, a  
14 nuclear station, et cetera. So there aren't included  
15 in these numbers the full fuel cycle, for example. So  
16 it was to try and make the comparison as you suggested  
17 as close as possible.

18 Q. All right. With respect to your  
19 analysis of land use and actual land requirements that  
20 is indicated here in this table, would you agree with  
21 me that a more complete analysis of land use would have  
22 involved describing the area which was made unavailable  
23 for other uses because of the development; for  
24 instance, you took out an area that was used for  
25 hunting, trapping and fishing because the impacts of a

1 particular project expanded beyond the particular area  
2 that was occupied by the facility itself?

3 A. Could you repeat the question? I  
4 have lost the thought.

5 Q. I am trying to get at how complete  
6 your analysis was. If you wanted to look at the land  
7 use criterion, would you agree with me that you would  
8 have a better and more complete picture if you were to  
9 include in your land use analysis the amount of land  
10 that was taken out of useful use, for whatever use you  
11 want to define, because of the project being there? So  
12 in other words, you go beyond just the facility itself  
13 to look at the area affected?

14 A. In this particular table, for  
15 example, they have looked at land taken out of  
16 production for waste, station area and there is some  
17 mining area total included. I think in -- I don't  
18 remember the exact number but perhaps others in the  
19 panel will remember, there was a more complete  
20 discussion of natural environment effects of hydraulic  
21 stations on a generic basis in a report that was filed  
22 I think with Panel 6. And I think it was certainly  
23 much more comprehensive in describing the generic  
24 effects, environmental effects of a hydraulic station.

25 Q. So we shouldn't take this as your

1 complete comparison between options then?

2 A. No. It isn't a complete comparison,  
3 by no means.

4 Q. One of the things that you also  
5 mentioned earlier, Ms. Howes, in answering my question  
6 about hydraulic as a clean option was that there were  
7 certain criteria, SO(2) and NOx against which  
8 hydroelectric looks better than fossil, for instance.  
9 Now, would you agree with me that the characteristics  
10 which you compared all the options on don't include  
11 various types of criteria that would pertain  
12 particularly to hydroelectric development other than  
13 land use?

14 A. No, I think if you go through each  
15 table one by one, under air emissions, for example, in  
16 hydroelectric, methane and CO(2) are acknowledged as  
17 air emissions related to hydroelectric developments and  
18 there is information in each of the sections dealing  
19 with water effluents, waste, resource use.

20 Q. What I am really getting at, let's  
21 assume that you had chosen another environment  
22 characteristic and let's assume that the environmental  
23 characteristics was loss of wildlife habitat, now if  
24 you had used that as an environmental characteristic,  
25 hydroelectric might have been more comparable to the



1 other options because you are talking about something  
2 more generic across options.

3 A. It is possible. That discussion  
4 would be very difficult to do I think unless you  
5 identified a certain geographic area and, say, a  
6 certain hydroelectric development with large flooding  
7 and large reservoir development. But I would agree  
8 with you that a large reservoir and large flooding  
9 would preclude resources development -- I mean resource  
10 use such as trapping or fishing or hunting.

11 Q. All right. Let's take another  
12 example.

13 Erosion effects downstream of any  
14 operation, fossil, nuclear or whatever. If you had  
15 used that as an environmental characteristic to compare  
16 options across, you might have seen a different result  
17 or hydroelectric might have looked worse than some of  
18 the other options?

19 A. That's possible. But then again it's  
20 difficult to compare across options unless you have a  
21 geographic basis for these. For example, a nuclear  
22 station on Lake Ontario, the erosion would be minimal.  
23 There would be some during construction, but a  
24 development in another locale might have quite  
25 significant erosion if the soil conditions were quite

1 different.

2 Q. All right. Ms. Howes, in your direct  
3 evidence you indicated the options have different  
4 effects and are therefore difficult to compare so you  
5 need to make environmental trade-offs. Do you recall  
6 that testimony?

7 A. Yes.

8 Q. All right. I would like to look for  
9 a moment with you at I believe it's a new -- pardon me,  
10 it's not a new exhibit, it is just a page from an  
11 exhibit that has already been filed. It's from the  
12 Interim Guidelines on EA Planning and Approvals,  
13 Exhibit 446, and it is page 20. I don't know if the  
14 Panel has that page.

15 THE CHAIRMAN: Yes, I have got it. It's  
16 the very end of my package.

17 MR. B. CAMPBELL: Do you have the date of  
18 that document, please?

19 MS. KLEER: That's a 1989 document.

20 Now, this particular page was not part of  
21 Exhibit 446. If the Panel wishes to make it a separate  
22 exhibit, we would be happy to do that, but we thought  
23 we might add it in.

24 THE CHAIRMAN: It's not part of 446?

25 MS. KLEER: Exhibit 446, as far as we can

1 tell from records, is just excerpts from the Interim  
2 Guidelines and Environmental Assessment Planning and  
3 Approvals 1989. That's what our records show.

4 So I don't know how you want to handle  
5 this. I am happy to make it a separate exhibit.

6 THE CHAIRMAN: If that's so, it better be  
7 made a separate exhibit.

8 THE REGISTRAR: 717.

9 MS. KLEER: We will undertake to provide  
10 a document precis for that for your records.

11 ---EXHIBIT NO. 717: Page 20 of Exhibit 446.

12 MS. KLEER: Q. I am looking at the  
13 bottom of page 20 of Exhibit 717, it says there:

14 In many cases, choosing between  
15 alternatives is the most difficult part  
16 of the planning. In choosing methods for  
17 predicting net environmental effects and  
18 evaluating advantages and disadvantages,  
19 proponents are advised to select methods  
20 which will clearly identify relative  
21 differences and key impacts to make the  
22 trade-offs involved in selecting the  
23 undertaking clear.

24 Ms. Howes, in your role in the production  
25 of the DSP, do you believe that that statement applies

1 or applied to producing the DSP?

2 MS. HOWES: A. Yes, I think so, and I  
3 think we took great pains to try and identify the  
4 advantages and disadvantages of the options that were  
5 being considered, and I think we made it quite clear  
6 that environmental trade-offs would have to be made and  
7 those trade-offs were identified.

8 Q. So you, in your opinion, you made it  
9 very clear what the environmental trade-offs were?

10 A. Yes.

11 Q. Would you agree that just looking at  
12 that point about key impacts that's made at page 20,  
13 that some of the key impacts of hydraulic, which are  
14 site-specific impacts as you have indicated,  
15 weren't factored into your analysis?

16 A. I think on the contrary. I think in  
17 Panel 6 there was a lot of discussion about potential  
18 environmental effects. Mercury was certainly discussed  
19 as part of that panel, for example. And these  
20 particular guidelines, if I recall them correctly, were  
21 dealing with project-specific EAs, and I would suggest  
22 that during a project specific EA there would be very  
23 specific environmental effects identified for each  
24 project.

25 Q. Well, I just want to focus here on

1 the DSP. Because you didn't identify in your option  
2 comparison tables certain key impacts of hydraulic that  
3 were admittedly talked about in Panel 6, you couldn't  
4 factor in those key impacts of hydraulic into your  
5 comparison of options?

6 A. I think at the plan stage when we  
7 identified the criteria, we indicated that these were  
8 key criteria that were appropriate for the plan stage  
9 study that we were undertaking.

10 I don't think that we ever suggested that  
11 these other factors such as erosion that you had  
12 mentioned, mercury that was mentioned in Panel 6, were  
13 not appropriate. There are appropriate certainly at a  
14 project-specific EA stage and they will definitely be  
15 considered.

16 Q. All right. I would like to explore  
17 for a moment with you, Dr. Tennyson, some of your  
18 evidence about social acceptance. And again I can  
19 refer to you the specific page in the transcript, but I  
20 will just read it and if you want me to refer you to  
21 it, I will.

22 You stated that with respect to the  
23 social acceptance of NUGs, that while NUGs is  
24 considered an acceptable supply option by the public,  
25 hydroelectric development is seen by the public as



1 somewhat more environmentally benign than other supply  
2 options.

3 Now in making that statement, did you  
4 mean that small hydroelectric development by  
5 non-utility generators is seen as somewhat more  
6 environmentally benign or were you making a broader  
7 statement than that?

8 DR. TENNYSON: A. No, I was just going  
9 through and trying to present the results of our  
10 findings to date.

11 So NUGs was a specific category of  
12 option, non-utility generation, so it is two separate  
13 statements. In yours it sound likes it didn't come  
14 across that way.

15 Q. Maybe we should take a look at that  
16 then. Volume 148, page 26211. I am looking at the  
17 paragraph starting at line 3. You stated that:

18 While non-utility generation is  
19 considered an acceptable supply option by  
20 the public, hydroelectric development is  
21 seen by the public as somewhat more  
22 environmentally benign than other supply  
23 options.

24 Can you explain to me then that reference  
25 to hydroelectric? Is it with respect to NUGs or

1 hydroelectric development generally?

2 A. As I said, it's hydroelectric  
3 development generally.

4 Q. All right. Now, just focussing on  
5 this comment about environmentally benign again. You  
6 have referred in your direct evidence and it was also  
7 reflected in Exhibit 535 that there was also concern  
8 over impacts on Aboriginal people and cumulative  
9 effects in the Moose River Basin.

10 Now, how do you fit together in your mind  
11 the conclusion about environmentally benign and the  
12 conclusion -- or not the conclusion but the findings  
13 from your public feedback that there were concerns  
14 about impacts on Aboriginal people and cumulative  
15 effects?

16 A. I don't really find it that logically  
17 inconsistent. But in general, the public has  
18 considered and still apparently does consider  
19 hydroelectric development as an option to be somewhat  
20 more environmentally benign than other options.

21 At the same time through the consultation  
22 activities it is recognized that certain groups in the  
23 province and certain locations had these concerns. So  
24 I don't think they are mutually exclusive -- I mean, I  
25 think they are mutually exclusive. Is that what I want

1 to say?

2 Q. I think that's what you want to say.  
3 It is late in the day.

4 I would be interested, and perhaps you  
5 don't know this, but one of the information centres  
6 which you held following the DSP release was held  
7 inform Moose Factory, you recall that?

8 A. That's correct.

9 Q. And would you know, and perhaps you  
10 haven't reviewed this either, whether or not there was  
11 a publicly expressed perception at that meeting that  
12 hydraulic was environmental benign?

13 A. First of all, I did not say that it  
14 was environmentally benign. I said that it is  
15 perceived generally by the public as somewhat more than  
16 other supply options.

17 Certainly the concerns I think that were  
18 expressed at that meeting have been likely well  
19 discussed on Panel 6 and I think we are aware of the  
20 concerns.

21 Q. Would it be possible for you, you  
22 indicated in your cross-examination by Ms. Spoel that  
23 there were reports that were prepared by people who  
24 attended the public information centres, the Ontario  
25 Hydro people, that is, who attended the public

1 information centres, that are in addition to the  
2 results of the questionnaires that we find in Exhibit  
3 535.

4 I wonder if it would be possible for me  
5 to obtain, by way of undertaking, copies of the reports  
6 prepared by Ontario Hydro employees from the Moose  
7 Factory meeting, and I also have several other meetings  
8 that I would like to obtain those reports for.

9 But before I ask that, were individual  
10 reports prepared for each of the public information  
11 centres?

12 A. To my knowledge, yes.

13 Q. All right. I would like then to  
14 obtain copies of the reports that were prepared at the  
15 following locations, Dryden, Red Lake, Sioux Lookout,  
16 Fort Frances, Timmins, Kapuskasing, Cochrane, Thunder  
17 Bay, Kenora and Moose Factory, Moosonee.

18 MR. B. CAMPBELL: If I could just ask a  
19 question of Dr. Tennyson.

20 When you say reports here, I would like  
21 to know for the purposes of making submissions, if I  
22 could - and don't answer this question until my friend  
23 has the opportunity to object if she wishes - I would  
24 like to know whether you are talking about actual  
25 documented reports, presumably not -- or maybe in the

1 kind of format of Exhibit 535, or whether what you are  
2 really talking about here with respect to reports is of  
3 the nature of the notes that people take documenting  
4 conclusions, memos to file, that sort of material.

5 THE CHAIRMAN: I shouldn't interject  
6 here, but there was a document that was floating around  
7 last week, I can't remember now who put it in, it had  
8 transcripts of community meetings. Is that what you  
9 are talking about, in which they talked about who was  
10 the chair and what was said at the meetings, and so on?  
11 It was pretty comprehensive, I think it had them all  
12 in. I just forget get the document itself.

13 MS. KLEER: I don't recall that in my  
14 review of the transcripts.

15 THE CHAIRMAN: Well, there was such a  
16 document, I can tell that you.

17 MS. KLEER: Perhaps, Mr. Chairman, I  
18 might add that as far as I understand it, the  
19 information centres weren't chaired meetings of that  
20 nature.

21 THE CHAIRMAN: This was either the  
22 regional or provincial meetings, I forget which once  
23 they were.

24 MS. KLEER: What I am referring then to  
25 is the information centres that followed the release of



1 the DSP as part if the public feedback program.

2 THE CHAIRMAN: Were they dealt with by  
3 meetings? Is that what you are saying?

4 MS. KLEER: They were public information  
5 centres. And I understood Dr. Tennyson's evidence in  
6 response to Ms. Spoel to be that reports were prepared  
7 for each of the information centres.

8 THE CHAIRMAN: There was a consolidation,  
9 which resulted in Exhibit 535. Is that what you are  
10 talking about?

11 MS. KLEER: I am not talking about the  
12 consolidation, I am actually talking about the reports  
13 that underlie 535 from the public information centre.

14 THE CHAIRMAN: I thought these were  
15 minutes of meetings that you were asking for. They are  
16 not?

17 MS. KLEER: No. What I am asking for are  
18 the Ontario Hydro employee prepared reports arising out  
19 of public information centres.

20 THE CHAIRMAN: Why do you think you  
21 should have those?

22 MS. KLEER: So that we can test the  
23 results in 535.

24 THE CHAIRMAN: You are questioning the  
25 results don't reflect, that it hasn't been done

1 properly, is that what you are suggesting?

2 MS. KLEER: I am not certain of that. I  
3 would like to know whether or not there is some broader  
4 information in those, particularly in the communities  
5 that I have mentioned that aren't reflected in 535.

6 THE CHAIRMAN: So really what you are  
7 asking for is the working papers that led to 535, is  
8 that what you are --

9 MS. KLEER: I am not certain how 535 was  
10 put together.

11 What I am responding to is Dr. Tennyson's  
12 comment that, in fact, such reports were prepared by  
13 the individual Ontario Hydro employees who attended the  
14 public information centres.

15 MR. B. CAMPBELL: As I understand the  
16 state of the evidence, again I am going to ask Dr.  
17 Tennyson, but before I make any submissions on this  
18 matter I want to make sure I am operating from the  
19 right facts.

20 As I understand Dr. Tennyson's evidence,  
21 she has been asked about this a number of times and she  
22 has indicated both to Ms. Spoel and to others that  
23 following the conclusion of information centres, Hydro  
24 people would get together and there would be some form  
25 of documentation, some form of documentation with

1       respect to that information centre prepared. I don't  
2       know whether that was done by way of formal report or  
3       what kind of documentation we are dealing with. It's  
4       been called a report in this vernacular, but I don't  
5       know whether we are talking about a report that has --  
6       we are talking about an actual report or something that  
7       I would call working papers or a filing memorandum.

8                 Perhaps, Dr. Tennyson, we can just do  
9       this right on the record and just describe briefly that  
10      process, because I don't feel I am in an appropriate  
11      position to make submissions. My understanding from  
12      other cases would be the only basis on which I could do  
13      that and I don't think that's the right way to do it.

14                DR. TENNYSON: These were notes of the  
15      meetings. It was the later characterization that you  
16      made, Mr. Campbell.

17                MS. KLEER: Q. Dr. Tennyson, if I might  
18      press on this a bit. Were they typed-up notes or were  
19      they just sort of rough handwritten notes, do you know?

20                DR. TENNYSON: A. As I recall, it may  
21      have varied. This was just part of -- whenever we have  
22      information centres of any type, there is like summary  
23      notes of the meeting or what happened. It might be so  
24      much people attended, these were the major issues, and  
25      that's what we had done.

1                   Various people on the panel were at  
2           these, and so as I told you, there were four or five of  
3           us representing different aspects of the Corporation,  
4           so at the end of it we would sit down and just write up  
5           a few notes of the meeting. So somebody might have  
6           typed them into their computer, others would have  
7           handwritten them and sent them in. And this just  
8           became part of the ongoing reporting on our activities.

9                   So that's about the extent of my  
10          knowledge.

11                  Q. All right. In light of those  
12          comments and in light of the fact that I am also  
13          concerned about regionally what the responses were to  
14          the DSP, and I have indicated the community that I am  
15          interested in getting the results from, those are  
16          obviously all from the Northern Ontario, I would still  
17          put in my request for an undertaking, and I presume  
18          that Mr. Campbell may have some comments about that.

19                  MR. B. CAMPBELL: I do, Mr. Chairman.

20                  THE CHAIRMAN: First of all, are these  
21          notes available? Are they something that can be  
22          obtained? I am not quite clear from what you are  
23          telling me.

24                  DR. TENNYSON: Quite frankly, I don't  
25          know.

1                   Certainly they were submitted and would  
2           have been kept. They may be still on file in some  
3           form. It was all part of that ongoing process. I  
4           would really have to check where they might be.

5                   THE CHAIRMAN: That would be the first  
6           thing to find out, it would seem to me, because if they  
7           are not there is no point in arguing about whether they  
8           should be produced.

9                   I suppose if we took it the other way  
10          around, whether they should be produced whether they  
11          are available or not is another question that perhaps  
12          you want to address, Mr. Campbell.

13                   We are going to have to stop anyway, it's  
14          getting close to five o'clock and I have got to leave  
15          at five o'clock, so we might as well continue this  
16          discussion tomorrow morning.

17                   We will adjourn now until ten o'clock  
18          tomorrow morning.

19                   MR. B. CAMPBELL: Mr. Chairman, I am  
20          going to have to get instructions on this somewhat. I  
21          am not familiar enough with the details or the  
22          particular content.

23                   I have two ways to do it. I can speak to  
24          other people in the Corporation who were involved in  
25          this process and so inform myself, or I can speak to



1 the witnesses so that they could inform me as to their  
2 recollection of the content of the notes.

3 It would be far more convenient, and I  
4 think I can certainly do it by tomorrow if I could talk  
5 to the witnesses about that. I will not do that  
6 without the permission of both Ms. Kleer and the Board.  
7 I don't want to suggest it is the only way I can deal  
8 with it, but it's going to take more time, given the  
9 hour, to inform myself and get advice and instructions  
10 if I have to do it dealing with other Hydro staff.

11 MS. KLEER: I certainly have no problem  
12 with your speaking with the witnesses about this.

13 THE CHAIRMAN: That's the answer to that.

14 MR. B. CAMPBELL: Thank you, Mr.  
15 Chairman.

16 THE REGISTRAR: Please come to order.  
17 This hearing will adjourn until ten o'clock tomorrow  
18 morning.

19 ---Whereupon the hearing was adjourned at 4:58 p.m., to  
20 be reconvened on Tuesday, June 16, 1992, at  
21 10:00 a.m.

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